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TODAY'S LEISURE

Americans Take A Worldly View

Pragmatism Inspires Interest In Languages and Contacts

By Brian Knowlton
International Herald Tribune

WASHINGTON — Contrary to a view often heard in Washington, Americans are not turning their backs on the outside world. They are studying it, preparing for it, doing business with it and learning its ways in numbers that continue to rise.

A raft of statistics points to increasing awareness of the interconnected nature of the world and pragmatic efforts by Americans not to be left behind.

Consider these indicators: More Americans are studying foreign languages than a decade ago; more Americans are working or living abroad; more are enrolling in

Last of two articles

international-studies programs; more are getting passports, and more are using them; more are placing overseas phone calls; more are doing business abroad; and more are expressing interest in overseas volunteer programs like the Peace Corps.

The number of colleges and universities offering international-studies programs has risen steadily, said Louis Goodman, dean of the School of International Service at American University, in Washington. Mr. Goodman said the number of graduate-level students entering those programs nationwide rose each year until 1995, when it leveled off at 5,000 to 6,000.

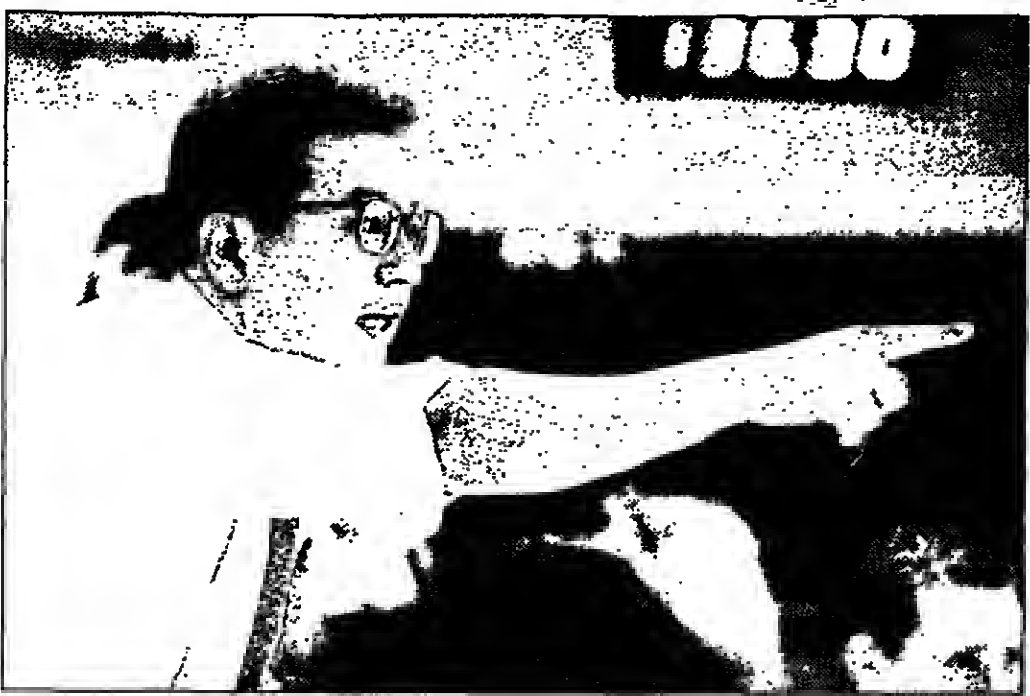
With the end of the Cold War, those students increasingly are pursuing business-oriented goals. "In the '70s and '80s, lots of people came to our schools because they wanted to promote peace rather than war," Mr. Goodman said. Now, he added, many come out of a desire "to engage productively in international economic matters."

The same pragmatism is reflected in those who study abroad. In the decade to 1995/96, the number of American students who studied abroad for credit rose from 48,483 to 89,242. A growing proportion of those students, though still a minority, are in business or science courses.

Even at the Peace Corps, long considered a haven of idealism, pragmatism plays a growing part. The number of inquiries about joining the overseas service program has risen steadily for years, said Brendan Daly, a spokesman. From 100,000 inquiries in fiscal year 1994, the first year for which he had figures, the total rose to 150,000 in fiscal 1997, Mr. Daly said.

"There is an increased interest in service," he said, but that is only part of the picture. "People understand that it is a global world, and even by helping people, you can,

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Market Optimism Sweeps Across Asia

Hashimoto Keeps Hold On the Voters

By Nicholas D. Kristof
New York Times Service

TOKYO — In a few weeks, Prime Minister Ryutaro Hashimoto will face nationwide elections as he presides over the worst recession in more than half a century, a limp stock market and the highest unemployment rate since records began to be kept.

Yet his governing Liberal Democratic Party is overwhelmingly expected to do well. The latest polls show it with more than five times as much support as any other political party in Japan.

Now Mr. Hashimoto is likely to do better than ever, for President Bill Clinton handed him a political gift Wednesday by agreeing to an American-Japanese campaign to bolster the sagging yen. Whether the jawboning and billions of dollars in foreign exchange intervention succeed in propping up the yen, they will almost certainly succeed in propping up Mr. Hashimoto.

Yet Mr. Hashimoto's relative popularity may be part of the problem. The premise of Mr. Clinton's decision to come to Mr. Hashimoto's aid was that Japan would take, as Mr. Clinton put it, "aggressive" and "bold" new steps that would justify a higher rate for the yen.

But many analysts here say that the Japanese political process militates against fundamental change and that Mr. Hashimoto's relative popularity suggests that the Japanese public wants someone like him: a repairman for the old system rather than an architect for a new one.

"Fundamentally it comes down to the fact that people in Japan generally don't think that things are so bad that they need to have fundamental change," said Glenn Fukushima, the president of the American Chamber of Commerce in Japan. "They realize that there are difficulties, that they need to handle them and they are prepared to make certain changes. But change will often result in disruption of the current system, and I think that is something that people want to avoid as much as possible."

All this raises some puzzling questions about the Japanese political process. In most countries there is a built-in corrective mechanism when an economy veers off course: Disgruntled voters elect the old team and choose new leaders who promise to do things differently. Yet despite eight years of economic stagnation, the Japanese political system has not responded in that way.

One common explanation is that Japan has established an elaborate series of safety nets, so that even in a recession no one feels deeply distressed. Ronald Morse, a professor of economics and business administration at Reitaku University near Tokyo, calls Japan "an airbag society" because people are so protected from the impact of recession.

Japan Leader Vows Action to Cure Economy

By Sandra Sugawara
Washington Post Service

TOKYO — Elated Asian stock and currency markets surged Thursday after coordinated U.S. and Japanese intervention bolstered the ailing yen, but analysts warned that the euphoria would be short-lived if Japan did not move quickly to enact dramatic reforms to boost the economy.

"The ball is in Japan's court, and it's now up to them to deliver," said Kathy Matsui, a market strategist with Goldman Sachs.

At a news conference, Prime Minister Ryutaro Hashimoto appeared elated at the success of the foreign currency intervention. The yen held steady in Tokyo, trading at 136.90 to the dollar late Thursday. Earlier this week, the yen hit an eight-year low of 146.78 to the dollar.

Mr. Hashimoto said the yen-buying intervention "won high marks from the market," and pledged to maintain market confidence.

"To spark a rebound of the stalled economy, I will do my best to help write off bad loans, achieve growth driven by domestic demand, open Japanese markets further and promote deregulation," Mr. Hashimoto said. But he provided few new details.

Several analysts warned that Mr. Hashimoto must produce bold actions to prevent the yen from tumbling back down. "If the market continues to anticipate that Hashimoto is serious about implementing changes, it could continue to rally a while longer," said Craig Chandler, Tokyo market strategist for Salomon Smith Barney. "But Mr. Hashimoto has made pledges before and hasn't come through. If Japan fails to deliver something, there will be a huge price to be paid."

Some analysts were "cautiously optimistic" because of the emergency visit of Lawrence Summers, U.S. deputy Treasury secretary, who arrived here Thursday evening for meetings with Japanese officials. On Friday, Mr. Summers and the president of the Federal Reserve Bank of New York, William McDonough, are to meet the Bank of Japan's governor, Masaru Hayami. Mr. Summers is then to meet with Finance Minister Hikaru Matsunaga. He will also attend a meeting of the deputy finance ministers of the Group of Seven industrial nations on Saturday.

Others speculated that the U.S. intervention was triggered by fears that the yen's rapid fall would cause China to devalue its currency, threatening to destabilize global currencies. They believe the United States is still trying to convince Japan that without new reforms, the yen will slide back.

Either way, the surprise intervention caused foreign stock investors, at least temporarily, to back off of their "worst-case scenario" strategy for Japan.

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U.S. Trade Gap at Record as Asia Crisis Slows Exports

The U.S. trade deficit soared to a record \$14.5 billion in April, the Commerce Department reported Thursday, as the Asian financial crisis battered American exporters, pushing down sales of everything from commercial aircraft to farm products. But the trade deficit with Japan narrowed as that country's stagnant economy produced a drop in both exports and imports. Page 17.

The Dollar			
New York	Thursday 4 P.M.	previous close	
DM	1.7945	1.787	
Yen	137.835	138.95	
FF	6.0175	5.992	
Pound	1.672	1.669	
Dollars per pound			
The Dow			
	Thursday	previous close	percent change
Dow	8,813.01	8,813.01	-0.19%
S&P 500	1,108.37	1,108.37	-0.02%
Nasdaq	1,772.70	1,772.70	-0.21%

Clinton Offers 'Genuine Reconciliation' to Iran

By Brian Knowlton
International Herald Tribune

WASHINGTON — In a dramatic gesture toward a bitter foe, President Bill Clinton said Thursday that the United States was seeking "a genuine reconciliation" with Iran, which he said was "changing in a positive way" under the reformist influence of President Mohammad Khatami.

Mr. Clinton's comments, together with a major policy speech on Iran a day earlier by Secretary of State Madeleine Albright, constituted the strongest signal yet that the United States is ready to move, if cautiously, toward ending two decades of rancor and suspicion with a key regional power.

Such a reconciliation would dramatically alter the political and economic face of the Middle East and

Central Asia. "What we want," Mr. Clinton said, "is a genuine reconciliation with Iran based on mutual respect and reciprocity and a cease the Iranian's preparation to move away from support of terrorism and distribution of dangerous weapons," as well as ending Tehran's opposition to the Middle East peace process.

In a striking sign of how far the United States was prepared to see the relationship evolve, Mrs. Albright, in her speech, suggested that Iran could be included in "multilateral efforts to protect international security."

If such cooperation should come to pass, it would be "a real breakthrough," said Andrew Hess, professor of diplomacy and academic dean at the Fletcher School of Law and Diplomacy at Tufts University in Massachusetts. "It's very, very difficult to think of establishing a security regime in this very important area of the world

without the presence of Iran." Iran's immediate reaction to the U.S. overtures was skeptical.

Foreign Minister Kamal Kharazi, speaking during a visit to Madrid, said that the United States must end its "hostile policies" toward Iran before any normalization could occur.

An Iranian radio broadcast was more specific, calling for the United States to end support for opponents of the Iran regime based in Iraq, to free Iranian assets frozen two decades ago and to "apologize to the Iranian nation for its wrong policies in the past 30 years."

It appeared that those comments were at least partly rhetorical and did not necessarily represent a bottom line for negotiations.

Mr. Hess of the Fletcher School said that he knew

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Clinton Names Holbrooke As New Envoy to the UN

By John F. Harris
Washington Post Service

WASHINGTON — President Bill Clinton nominated Bill Richardson to be energy secretary on Thursday and said he would be replaced as ambassador to the United Nations by Richard Holbrooke, chief negotiator of the 1995 Bosnian peace settlement and one of the United States' most aggressive diplomats.

Mr. Clinton, making the announcements in a Rose Garden ceremony, said Mr. Holbrooke would bring broad experience to the job.

Speaking of Mr. Richardson, the president said that global warming would be a high priority for his new energy secretary.

"I believe that this challenge will

require the greatest energy from our labs, from our scientists and technology, from an Energy Department that can work clearly with the private sector on what plainly will be one of America's most important priorities for years and years to come," Mr. Clinton said.

Although Mr. Richardson's move to the Energy Department had been decided for weeks, according to several administration officials, Mr. Holbrooke's recruitment back into the administration came only after extensive discussions at senior levels over whether the strong-willed Mr. Holbrooke could work effectively with other members of the administration's foreign policy team.

Mr. Clinton's willingness to take a chance on Mr. Holbrooke adds a dynamic, if somewhat unpredictable, element to U.S. foreign policy.

Mr. Holbrooke, 57, was a diplomatic prodigy when he served as assistant secretary of state for Asian affairs in the Carter administration in the late 1970s and enjoys a reputation as a bold strategist and risk-taker.

At a time when a new wave of ethnic violence is under way in the Serbian province of Kosovo, he also will be the administration's most experienced hand at dealing with the treacherous diplomacy of the Balkans.

After months of shuttling between European capitals, and three weeks



David Trezeguet of France scoring Thursday in Paris against Mohammed Jahan of Saudi Arabia.

In Victory, France Loses Star Playmaker for Next Match

PARIS — France beat Saudi Arabia, 4-0, to qualify for the second round, but their star playmaker, Zinedine Zidane, was ejected and will miss at least one match.

Thierry Henry scored twice, and David Trezeguet and Bixente Lizarazu got the other goals as both sides finished the Group C match with 10 men.

The referee, Arturo Brizo Carter of Mexico, sent off Mohammed Khilaifi of Saudi Arabia for a late tackle on Lizarazu when the score was still 0-0. With a numerical

advantage, France, which beat South Africa 3-0 in their first match, made it 2-0. Then Zidane was ejected for stomping on the Saudi captain, Foad Amin, in the second half.

In Toulouse, Denmark survived a card-strewn battle with South Africa to get a 1-1 draw, moving it within sight of the second round of the World Cup.

John Jairo Toro, the Colombian referee, ejected two Danish players and a South African. Seven yellow cards were also issued. Page 25.

AGENDA

U.S. Spells Out Its Sanctions Against India and Pakistan

WASHINGTON (Reuters) — The United States said Thursday that economic sanctions against India and Pakistan over their nuclear testing last month would apply to lending by private banks to the two governments, some credits and guarantees, and military sales.

At a news conference to give details of the sanctions, the administration said that the sanctions would prohibit American banks from extending loans or credits to the governments of India and Pakistan and that more details would be provided soon. Bank lending to the private sector would not be affected. It also said that it would support efforts in Congress to exempt agricultural credits from the sanctions.

The United States has terminated certain military sales and revoked licenses on some commercial sales of munitions to Islamabad and New Delhi.

New Delhi calls U.S. policy hypocritical. Page 10

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In a Conversion, 2 Key Leftists In Europe Hail U.S. Economics

By John Vinocur
International Herald Tribune

PARIS — Two of Europe's leftist leaders acknowledged this week that American economic and employment policy provides more of the right answers than they were comfortable saying before.

Prime Minister Lionel Jospin of France said that he had changed his view of the United States, and Oskar Lafontaine, chairman of Germany's Social Democratic Party, held up America to a startled audience as a model of successful macro-economic thinking.

In each case, the praise came from men whose political culture has often found greater sustenance in America's supposed harshness than in its successes.

The comments from both politicians seemed to reflect genuine recognition of American economic accomplishments, and the possibility of greater flexibility in their economic positions. On a political level, they suggested that dismissive attitudes toward the American approach to jobs and money — often labeled winner-take-all economics in Socialist precincts in France and Ger-

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Treasury's High-Stakes Player / A Hand in the Global Economy

Robert Rubin: To Know the Trader Is to Know the Man

By Clay Chandler
Washington Post Service

WASHINGTON — Currency traders, who have made millions in the past month selling yen and buying U.S. dollars, awoke to horrible news. They were no longer just betting against the Japanese government. They were on the wrong side of a trade with U.S. Treasury Secretary Robert Rubin — in an earlier life one of the shrewdest traders on Wall Street.

The turnaround dawned on traders at Paribas Corp. at 7:55 A.M. in Washington on Wednesday. About 20 dealers, salesmen and analysts had just begun their morning meeting when someone from the Paris office broke in on a speaker phone to report that European markets were abuzz with rumors of a U.S. intervention.

A few laps on a nearby trading screen confirmed it: The yen was gaining, the dollar sinking fast.

By 8:16 A.M. it was official. Mr. Rubin's Treasury issued a statement confirming that the U.S. government and Tokyo's Bank of Japan had waded into the \$1 trillion global currency market to support the beleaguered Japanese currency, which had lost 12 percent of its value since the beginning of the year. The same traders who last summer vanquished currencies in Thailand and South Korea retreated.

A Treasury victory. At least for the moment. Moments like these have long been a part of Mr. Rubin's world — huge amounts of money at stake and adversaries spread across the globe, all trying to anticipate the market's next move. In his 26 years as a Wall Street trader, Mr. Rubin was doing the guessing. These days he calls the shots.

In the five years since he left Wall Street, Mr. Rubin has picked his way through one high-stakes financial confrontation after another, helping negotiate budget and tax deals with the U.S. Congress and piloting the administration's efforts to assist struggling economies in Mexico, the former Soviet Union and in Asia.

IN ALL those skirmishes, he has held steadfastly to the instincts and sensibilities honed during his tenure at Goldman, Sachs & Co., one of Wall Street's most venerable firms. In Washington, it is often noted that Mr. Rubin's years at Goldman made him rich. But it also gave him a way of life — a market ethos — the prism through which he views the universe.

"You had to learn to approach things with a mental yellow pad," Mr. Rubin recalled in a recent interview on a calmer day. He rocked onto the hind legs of his chair in his Treasury office, glancing every so often at the computer beside his desk that tracks financial markets.

"You had to stick to your discipline and try to reduce everything in your mind to pluses and minuses and to probabilities. If a deal goes through, what do you win? If it doesn't go

through, what do you lose? It was a high-risk business, but I'll tell you, it did teach you to think of life in terms of probabilities instead of absolutes," he said.

"You couldn't be in that business and not internalize that probabilistic approach to life. It was what you were doing all the time."

As the Asian financial crisis skidded into a new, more treacherous phase, currency analysts questioned Mr. Rubin's reputation for sure-footedness in dealing with markets.

Mr. Rubin's own testimony June 11 before the Senate Finance Committee forced the need to intervene in support of the yen much more clearly than Mr. Rubin may have intended, traders argued.

During the hearing, Mr. Rubin was being pressed by Senator Frank Murkowski, Republican of Alaska, to explain why "you haven't done anything" to help stabilize the sliding yen.

"Intervention is a temporary tool, not a fundamental solution," Mr. Rubin answered.

"We've said many times we intervene when it's appropriate. Don't when it's not appropriate. But if that isn't going to fundamentally change anything for any period of time, then the whole answer lies in Japan doing what it needs to do."

A few minutes later, Treasury's top lobbyist, Linda Robertson, slipped Mr. Rubin a note, which read: "The yen has moved to 143.2."

Mr. Rubin tried to contain the damage because that meant the yen had slid from the already precarious 142-to-the-dollar earlier. "Could I make one comment?" he asked the committee, just before the hearing closed. "Because I think that there's something that happened that could mislead markets, and I don't want that to happen, O.K.? I don't want anyone to infer that we were suggesting that in all cases intervention is not an appropriate strategy for short-term effects."

David Gilmore of Foreign Exchange Analytics, an Essex, Connecticut-based currency consulting firm, said Mr. Rubin's initial comment was too equivocal, in effect giving traders a



"You had to stick to your discipline and try to reduce everything in your mind to pluses and minuses and to probabilities."

clear signal there would be no attempt to block a yen free fall. So they started selling.

"Rubin let his guard down," Mr. Gilmore said. "At a sensitive time, he let the world know just a little too clearly what he really thinks of intervening in foreign-exchange markets — which is, not very much. For currency traders, that's a green light. It's like shouting, 'Hey, everybody. It's O.K. Go ahead and load up' on dollars at the expense of yen."

Traders didn't buy Mr. Rubin's attempt at clarification. The dollar had risen to 144 yen by the end of the day on June 11 and continued to drift over the weekend.

When heavy trading resumed Monday, the yen skidded to an eight-year low, taking the dollar to 146 yen.

As the business day dawned on Tuesday, there were signs China might be rethinking its repeated promises not to devalue its currency, as the steep descent of the yen made Chinese exports appear more costly on world markets.

Treasury confirmed reports that Mr. Rubin was sending his deputy, Lawrence Summers, to Tokyo for emergency meetings.

Mr. Gilmore said he believed concern that knees were buckling in Beijing is what finally forced Mr. Rubin to rush to the yen's defense, even though Mr. Rubin was unable to extract a concrete plan and timetable from the Japanese government on solving that country's banking crisis.

For months, Mr. Rubin has been holding out for a concrete program from Tokyo on how to restructure Japan's financial system, Mr. Gilmore said. "But there's no program here," he said. "All they got is a vague outline."

Other traders, though, noted that Mr. Rubin only decided to intervene after the yen started rising in European markets Wednesday, as traders reacted to the news that Mr. Summers was headed to Tokyo.

It was then that Mr. Rubin, in consultation with the Federal Reserve Board chairman, Alan Greenspan, decided to go with the momentum

and started buying yen. With so many uncertainties to weigh in dealing with Asia, Mr. Rubin is running through yellow pads at a rapid rate. This intervention will be a particular test of his skill at getting the probabilities right.

Mr. Rubin knows this better than anyone. He spent the bulk of his life studying and living the life of a trader. He divides them into two camps: the scholars, who very carefully think through every move, and the plungers, who make huge investments on instinct.

He identifies himself with the former ilk. "You never want to have any one position that would lose more than X, whatever X was, so that you always felt you had some control," Mr. Rubin said in a recent interview.

HE RECALLED a moment in 1979. Mr. Rubin was just coming into his own as head of Goldman's risk arbitrage desk, which bets the firm's money on takeover deals and complex cross-market investments.

He had wagered millions on a portfolio designed to cash in on an expected run-up in oil prices and inflation.

Everything looked fine, then bang, the market turned on him. Oil prices collapsed. Inflation fears receded. Suddenly, rising star Mr. Rubin was sitting on giant losses.

"On a mark-to-market basis, we lost more money in the risk arbitrage department that month than the entire firm had made in any whole year prior to that," he said. "It was sort of like an earthquake."

Year-end bonuses for the entire firm hung in the balance. The senior partners were getting "edgy."

But Mr. Rubin sat tight, and fought the urge to cut his losses. Days passed, then weeks. Little by little, oil prices and inflation indicators resumed their climb, salvaging Goldman's profits — and Mr. Rubin's career.

Nearly two decades later, the memory makes Mr. Rubin squirm. "You know, you look back on that, and of course, it's O.K.," he said. "But when you're at the bottom, and you've got large losses and you really don't know whether they're going to recover or whether they're just going to get worse, it was kind of dicey."

Now the stakes are even bigger.

Mr. Rubin isn't playing with one firm's money, but with the health of the global economy.

From all accounts, his approach is no different today than the one he learned on Wall Street. Friends say that to understand Mr. Rubin the Treasury secretary, one must know about Mr. Rubin the trader.

He was very cool, very composed, incredibly smart," said Robert Lenzner, who worked with Mr. Rubin at Goldman. "In that business, every day was a different crisis. Big ones, little ones. We were always under fire. But nothing rattled Rubin."

Telltale Drugs Destroyed by South Africa, Panel Is Told

Compiled by Our Staff From Dispatches

CAPE TOWN — South Africa dumped tons of government-manufactured drugs, including cocaine and ecstasy, into the sea in 1993, the country's Truth and Reconciliation Commission heard Thursday.

"I was satisfied that all the products that had to be destroyed were destroyed," Niel Knobel, former South African surgeon-general, told a truth body bearing into the chemical and biological warfare program of the former apartheid government.

"They were destroyed by flying them out, deactivating them and dropping them into the ocean."

Mr. Knobel said 20 blue plastic drums containing "incapacitating agents," such as cocaine, mandrax and ecstasy were loaded into a military aircraft and dumped some 150 miles (240 kilometers) off the south coast of the country.

The truth commission, investigating apartheid's darkest secrets, heard last week that the former government had manufactured drugs, like ecstasy, for use in crowd control, sparking fears the drugs had ended up on South Africa's streets.

The government's front company, Roopeplat Research Laboratories, also made products including whiskey spiked with weed-killer, cigarettes dipped in anthrax and poisoned chocolates for use in the war against anti-apartheid activists.

But Mr. Knobel, who became surgeon-general in 1988, denied any knowledge of the sinister workings of the dirty-tricks factory and said he had understood that its aim was purely defensive.

"RRL was responsible to keep up with all potential threats so that preventative and treatment methods could be kept up to date," he said.

Mr. Knobel said his suspicions were not aroused until 1993 when the country's intelligence service discovered that the British and U.S. governments were set to protest alleged abuses of the chemical and biological weapons program.

The allegations centered on the role of Wouter Basson, who headed the program.

Mr. Basson has been provisionally charged with manufacturing a metric ton of mandrax and a metric ton of ecstasy and other charges including incitement to murder and conspiracy to murder.

He was due to testify at the truth commission this week, but his lawyers are resisting any appearance, saying it could prejudice his criminal trial later this year.

Hanif Vally, a truth-commission lawyer, said Mr. Basson's lawyers were set to file an application to the Cape Town High Court objecting to the commission's insistence that he testify.

The commission on Thursday heard that Mr. Basson was arrested in Switzerland in December 1993.

Mr. Knobel said Mr. Basson, 47, had claimed \$36,000 for expenses relating to the arrest.

The main expense of the cash claim, Mr. Knobel said, was \$28,000 to destroy two computer hard drives that contained information relating to Mr. Basson's "research activities" in Switzerland to prevent these landing in the hands of Swiss police.

The hearing was adjourned on Thursday until July, for lawyers to consider new documents presented by Mr. Knobel. (Reuters, AP)

Sheikh Mohammed Mutwali Sharawi, Leading Muslim Cleric, Dies

The Associated Press

CAIRO — Sheikh Mohammed Mutwali Sharawi of Egypt, 87, one of the Muslim world's leading clerics, died Wednesday.

Sheikh Sharawi, who served as minister of religious endowments under President Anwar Sadat, died at his home near the pyramids of Giza. The cause of death was not announced. Last week he was admitted to a hospital last week with severe asthma.

President Hosni Mubarak praised the popular cleric, saying he had "greatly contributed to Islam and enriched Muslims with his wide knowledge of the correct teachings of Islam."

Egypt's leading Islamic authority, the Grand Sheikh of Al-Azhar, Mohammed Sayed Tantawi, described Sheikh Sharawi's death as a great loss not only to Egypt but also to the Islamic world.

Sheikh Sharawi also gave birth to such a glorious imam, who devoted his life to making the word of God esteemed," Sheikh Tantawi said in a statement.

In his home village of Daqadous in the Nile Delta, thousands poured into narrow streets in a procession that carried his body to the cemetery. Groups of police in black uniforms pushed back crowds that surged toward the coffin.

Sheikh Sharawi gave a religious lecture on Egyptian television on Fridays that was widely watched because of the simple way in which he conveyed Islamic principles and because he spoke in a colloquial dialect of Arabic. His books, videotapes and cassettes were available at bookstores and sidewalk stalls across the city of 15 million.

His teachings and rulings won him wide acclaim in the Muslim world, but they were also controversial. Moderate Muslims considered them outdated.

He angered feminists and human rights activists by supporting female circumcision and by ruling that women should not be appointed to top government positions or become judges. He also condemned organ transplants and the paying of interest on bank deposits as un-Islamic.

But such rulings went down well in Saudi Arabia and other Gulf countries, where governments enforce a strict brand of Islam.

Jan Gullberg, 62, Surgeon and Science Author in Sweden

Jan Gullberg, 62, a Swedish surgeon and anesthiologist whose fascination with mathematics and science in general led him to write two books whose explanations of rarefied subjects to the layman were widely praised, died of a stroke May 21 at the hospital where he worked, near his home in Nordfjordeid, Norway.

His first book was an 1,100-page volume in Swedish that gave an overview of basic science. It sold more than

8,000 copies, which, in Sweden, is a highly respectable figure for a book of its nature.

He followed that up with an illustrated book about mathematics and its history, written in English, "Mathematics: From the Birth of Numbers" (1997), which is now in its fifth printing.

William Schwann, 85, Founder of Record Catalogue in U.S.

William Schwann, 85, an organist, musicologist and publisher who started a record catalogue in 1949 that became an indispensable resource for browsers, collectors, musicians, critics and record company executives, died June 7 in

Burlington, Massachusetts.

The first Schwann catalogue, hand-typed and mimeographed, sold 11,000 copies. Within a month it was obsolete. So, Mr. Schwann realized that he would have to publish a new issue every month.

When he sold the catalogue in 1976 (although he kept running it until his retirement), it had expanded to more than 300 pages with more than 40,000 listings.

In the late 1980s, the catalogue was sold to Stereophile. Today, the Schwann Opus catalog, as it is called, is owned and published quarterly by Valley Media in New Mexico, and regularly runs more than 1,000 pages.

TRAVEL UPDATE

Polish Strike Hardens

WARSAW (Reuters) — Train drivers at Polish State Railways extended a strike over pay for a second day while their union and the authorities acted tough amid nationwide transportation chaos on Thursday.

The transportation, labor and industry ministers began talks in Warsaw with 18 rail unions, including one representing the striking train drivers, but the meeting was then adjourned to the evening.

Leaders of the union representing the drivers told reporters that strikers were responding to management pressure by occupying locomotive sheds.

Norway Flights at Risk

OSLO (AP) — Travelers headed to Norway might want to double-check flight schedules for the next few days to make sure the latest labor dispute does not disrupt air traffic for the second time in a week.

State-led mediation between the Norwegian Aircraft Mechanics Association and airlines broke down Thursday. The union ordered four mechanics to strike immediately. It said 38 more would join the conflict during the weekend.

On Monday, the government ordered 235 air traffic controllers to return to work after a four-day strike that grounded virtually all flights in southern Norway.

Longshoremen began a planned six-day strike Thursday that threatens to paralyze Greece's main ports and severely disrupt cargo and tourist traffic. (AP)

Japan's All Nippon Airways Co. Ltd. (ANA) and Germany's Deutsche Lufthansa AG said Thursday they would delay their planned code-sharing plan by two months. (AP)

WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.



North America: Warm with a mix of clouds. Sun and sun over the Northeast Saturday through Monday. A chance of a thunderstorm each day. Sunny, hot and dry over the South. Warm and sunny through the weekend, becoming hot again in more humid Monday. Quite hot over Texas and the Gulf Coast with some sun, but a thunderstorm could fire up in a few places.

Europe: Warm and hot in Madrid Saturday through Monday. Dry and mild in London. Sunny, warm and humid in Paris most of the weekend, but showers are possible late Sunday into Monday. Sunny and hot in Moscow Saturday through Sunday. Rainy over southern Russia. China near Canton. Monsoon rain will continue to soak southern India.

Asia: Some sun and warm in Tokyo this weekend. Sun and sun over the Southeast. Dry and mild in London. Sunny, warm and humid in Paris most of the weekend, but showers are possible late Sunday into Monday. Sunny and hot in Moscow Saturday through Sunday. Rainy over southern Russia. China near Canton. Monsoon rain will continue to soak southern India.

Africa: Warm and hot in Cairo Saturday through Monday. Dry and mild in London. Sunny, warm and humid in Paris most of the weekend, but showers are possible late Sunday into Monday. Sunny and hot in Moscow Saturday through Sunday. Rainy over southern Russia. China near Canton. Monsoon rain will continue to soak southern India.

Oceania: Warm and hot in Sydney Saturday through Monday. Dry and mild in London. Sunny, warm and humid in Paris most of the weekend, but showers are possible late Sunday into Monday. Sunny and hot in Moscow Saturday through Sunday. Rainy over southern Russia. China near Canton. Monsoon rain will continue to soak southern India.

Legend: S=sunny, p=partly cloudy, c=cloudy, sh=showers, th=thunderstorms, f=fog, dr=dry, h=high, l=low, W=windy.

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Japan's All Nippon Airways Co. Ltd. (ANA) and Germany's Deutsche Lufthansa AG said Thursday they would delay their planned code-sharing plan by two months. (AP)

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THE AMERICAS

A Key to AIDS Virus's Defenses

Studies of a Protein Show It Protects HIV From the Immune System

By Thomas H. Maugh 2d
Los Angeles Times Service

LOS ANGELES — After more than 15 years of effort, researchers have finally been able to puzzle out the three-dimensional structure of a key protein on the surface of the AIDS virus, a feat that provides the first good explanation why an infected person's immune system is unable to fight off the virus and why attempts to produce AIDS vaccines have been unsuccessful.

In particular, the studies show that the site targeted by most vaccines — including the VaxGen AIDS vaccine approved for large-scale testing only two weeks ago — is shielded by a structure very similar to the movable roofs on many athletic stadiums.

While the virus circulates through the blood, it is protected from the immune system by the shield. But when the virus is ready to enter white blood cells, the shield rolls back, allowing the virus to penetrate the cell.

The structural studies were reported in articles in the journal *Nature* on Thursday and in *Science* on Friday. They show that the protein on the surface of the AIDS virus has other defenses as well, making HIV a "viral Houdini" that cannot be kept bottled up by the immune system, said Dr. Joseph Sodroski of the Dana-Farber Cancer Institute in Boston, one of the authors.

But the studies also suggest that there may be ways to circumvent those defenses with either vaccines or drugs.

"This is a major step forward," said David Baltimore, a molecular biologist who is president of the California Institute of Technology and head of the federal government's advisory panel on AIDS vaccines.

He said the findings give an idea why the VaxGen vaccine is "unlikely to give us the kind of antibodies we need to protect people" and points to ap-

proaches that might be more successful.

"We now have specific target sites on which to focus in developing new drugs and vaccines," said Dr. Anthony Fauci, director of the National Institute of Allergy and Infectious Diseases.

The protein in question is called gp120. Its function is much like the front-door key of a house. Dangling from the surface of HIV, gp120 must slip into a cavity on another protein on the surface of a white blood cell, called CD4, to trigger the ultimately deadly infection process.

Many of the potential AIDS vaccines that immunologists are now studying, including the VaxGen product, are made from gp120 molecules produced by genetic engineering techniques in bacteria.

Scientists had hoped that vaccinating people with gp120 would stimulate the immune system to recognize it and prevent it from binding to CD4. But that approach has not been very successful, and the new pictures of the molecule show why.

Researchers use a process called X-ray crystallography to determine the precise position of every atom in the molecule. As the technique's name implies, however, the scientists must have the molecule in a crystalline form not unlike the salt or sugar crystals on your kitchen table.

That has been the problem with gp120. Other proteins have a rigid structure, so it is relatively easy to induce them to condense into regular crystalline arrays. But gp120 has many long, flexible sugar molecules on its surface that interfere with this stacking. Getting the molecules to line up in a regular manner is rather like trying to construct a neat cube with beanbag chairs.

To get around the problem, Dr. Sodroski and his colleagues snipped off sections of the gp120 that they did not

think were important to its function. Crystallographers at Columbia University were then able to bind the remaining core of the molecule with CD4 and crystallize the complex to determine its structure.

"It's a technological tour de force," said Dani Bolognesi, an AIDS researcher at the Duke University Medical Center.

Studying the X-ray structure quickly showed several ways in which the virus evades detection. The portion of gp120 that actually binds to CD4 is protected from immune attack by dome-like loops of protein. When the protein is ready to bind, the loops collapse out of the way.

This receptor also has what the researchers call an "icing" of carbohydrate molecules that further protect it from antibodies. An effective attack on HIV might require some technique to remove this icing, they said.

Another large portion of gp120 has no characteristics that would allow the immune system to recognize and attack it, making it what the researchers term a "silent face." "We didn't realize before that there are whole regions that the immune system never sees," Dr. Sodroski said.

The structure also reveals some potential targets for attack. In particular, the large cavity at the interface of gp120 and CD4 "is a drug designer's dream," said Peter Kwong, one of the crystallographers at Columbia. He said a drug could fill the cavity, and block the binding in the same way that a broken key in a lock prevents an intact key from entering.

Scientists cautioned that new drugs and vaccines against AIDS will not come overnight. In the longer term, however, they are confident that further study of the molecule will produce a new battle plan against the disease and a variety of new weapons to use in that war.

Reno Assails Judge Over Secret Service

WASHINGTON — A federal judge improperly disregarded testimony about the dangers to future presidents when she ordered Secret Service officers to disclose what they saw and heard while guarding President Bill Clinton, Attorney General Janet Reno has argued to legal papers.

In asking the U.S. Court of Appeals to overrule Judge Norma Holloway Johnson of U.S. District Court, the Justice Department argued in papers unsealed Wednesday that she had no basis to dismiss the warnings issued by former President George Bush and the last three Secret Service directors.

All four argued in statements filed with Judge Johnson that breaking the traditional Secret Service code of silence would prompt presidents to push guards away to shield their privacy, increasing the risk of assassination. The independent counsel, Kenneth Starr, said that no "protective function privilege" had ever been recognized by any court or Congress. In agreeing, Judge Johnson wrote that she doubted law-abiding presidents would put themselves in danger.

Mr. Starr wants two Secret Service officers to testify before a grand jury about Mr. Clinton's alleged relationship with former White House intern, Monica Lewinsky. (WP)

A Fund-Raising Duo

WASHINGTON — Even before the invitations were printed, the people planning the fund-raiser for Governor George W. Bush of Texas here on Thursday had to switch to Plan B.

The idea had been for an intimate dinner at the home of Joseph Gidenhom, who served as ambassador to



ON THE HILL — Prime Minister Lionel Jospin of France, left, meeting Thursday with Speaker Newt Gingrich at the Capitol. The French visitor later saw President Bill Clinton at the White House.

Switzerland during the Bush administration. But the Gidenhoms could accommodate only 80 — and the demand from those who wanted to write checks for \$5,000 a person was overwhelming. The venue was changed to the Four Seasons Hotel in Georgetown. (WP)

Quote/Unquote

The House speaker, Newt Gingrich, Republican of Georgia, vowing to double science funding over eight years, which would amount to a dramatic shift in federal spending over the next decade: "Investing in our future ought to be our second-highest priority after winning the war on drugs, and we should shape our appropriations bills accordingly." (WP)

Taking a Gamble on Tobacco

Killing Bill, Republicans Bank on Public Shift

By Alison Mitchell
New York Times Service

WASHINGTON — It was a day of high risks on the volatile issue of tobacco.

In killing and-smoking legislation Wednesday night, Senate Republicans took a leap of faith, trusting that the tobacco industry's \$40 million advertising campaign has so changed public sentiment on the issue that there would be no election-year ramifications from their vote.

The tobacco industry took a huge gamble as well — that the cascade of lawsuits it hoped to curb with the original settlement a year ago will not bankrupt it. Those risks may be worse now than they were then. Today, cases brought by individuals can be buttressed by hundreds of damaging industry documents recently disclosed as part of the settlement process in lawsuits brought by states.

The bill, which had been debated on the Senate floor for a month, was set aside when supporters, mostly Democrats, could not get the 60 votes needed to clear two procedural hurdles.

Democrats promised to bring the matter up again at every opportunity this year, but they conceded that they had little chance of success.

"It may be that the final vote on this bill occurs on election day," said Senator Edward Kennedy, Democrat of Massachusetts.

Democrats vowed to paint the Republicans as the tools of Big Tobacco in the fall campaigns. That debate might again change the public mood on tobacco and could cost the Republicans seats in the Senate, where they can spare a few losses and still retain control, and the House, where they have no room to spare.

President Bill Clinton himself provided a preview of the campaign themes when he made a final appeal to the Senate to "protect the children and not the tobacco lobby." Asked after the Senate killed the legislation whether there would be a political price to pay, he said, "I certainly hope there will be and there should be."

But Senator Phil Gramm, Republican of Texas, who had been one of the measure's fiercest opponents, insisted that "the bottom line is the bill never had any real support from the American people." And Senator John McCain, Republican of Arizona, who drafted the bill, acknowledged that more and more Republicans had come to believe that the tobacco issue does not have the broad public support they once feared.

He even said that some of the members of the Committee on Commerce, Science and

Transportation who had sent the measure to the Senate floor on an overwhelming 19-1 vote now opposed the legislation.

It was a turnaround in sentiment reminiscent of Mr. Clinton's defeat in his effort to pass comprehensive health care legislation in 1994. And like the industry battle against health care, it was partly brought about by a television ad campaign that portrayed the legislation as a massive tax increase to pay for Big Government. "When people call in, they parrot the ads," Mr. McCain said.

Just a year ago the mood was quite different. The prospect of a comprehensive tobacco settlement seemed something historic that would change forever the ways cigarettes are marketed in the United States and alter the nation's public health and regulatory landscape.

In a deal hammered out by the tobacco industry and state attorneys general, the tobacco industry would pay states \$368.5 billion over 25 years for anti-smoking programs and to compensate for the costs of treating smoking-related illnesses. In return the companies would have received protection from a wave of court cases against them.

But that pact turned out to have a Perils of Pauline existence — in large part because of the impression that after decades of political dominance, Big Tobacco was on the ropes.

By last fall anti-smoking advocates such as Dr. David Kessler, the former commissioner of food and drugs, and Dr. C. Everett Koop, the former surgeon general, had seized the public stage to push for even tougher legislation.

And so after a marathon series of meetings and negotiations, Mr. McCain and the Commerce Committee produced a measure tougher on tobacco than the original settlement had been. It would cost the companies \$516 billion over 25 years, increase penalties if teenage smoking did not drop and provide fewer legal protections than the industry wanted.

At that point tobacco walked out and vowed to fight the legislation. Some predicted the defiance would boomerang and hurt the industry further.

But the industry went on the attack, with heavy advertising. As Mr. Clinton, mindful of his experience on health care, said, "Those of us in politics know that unanswered ads can sometimes be fatal." And as the ads ran across eight weeks, Republicans began sounding the same themes.

The House speaker, Newt Gingrich, branded it a "very liberal, big-government" measure. Senator Trent Lott, the majority leader, called it a "big spending bill" even as he let Senate debate play out.

Away From Politics

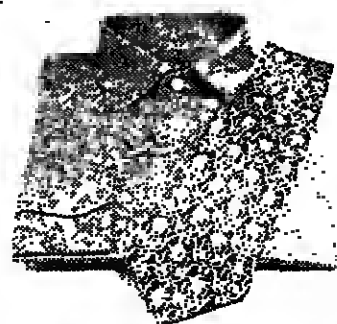
• New York's sidewalk vendors, who had faced banishment from many of their most lucrative corners, won a reprieve. The city panel that determines where vending is allowed voted to rescind the 144-block ban on vending that was to take effect next month. (NYT)

• A TWA Air 747 waiting to take off for Paris from Kennedy Airport in New York had to return to the gate after a passenger became unruly. The 29-year-old French citizen was removed from the plane and could be charged with interfering with a flight crew. (AP)

• The American Medical Association voted to install Dr. Thomas Reardon, a general practitioner from Oregon, as its president-elect. (WP)

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INTERNATIONAL

Standing Up for Chinese Women

Former Follower of Mao Now in the Vanguard of Female Activism

By Steven Mufson
Washington Post Service

QIANXI, China — Two photographs of Xie Lihua, snapped nearly three decades apart, capture how oddly similar yet strikingly different this 46-year-old Chinese woman is today compared with the teenager she once was.

The first, circa 1972, shows Miss Xie filled with the fervor of the Great Proletarian Cultural Revolution — beaming and fresh-faced in her Mao cap — as an army recruit throwing herself into the noble task of feeding hogs.

The second, taken here two months ago, also shows her with hogs. She still wears her enthusiastic smile. But now she is clad in a stylish two-piece black pantsuit, and instead of doling out feed to hogs, she's doling out small loans to rural women and giving them advice on investments, like buying swine.

Once the head of her secondary school Red Guard committee, Xie Lihua has been transformed into a crusading journalist, magazine editor, small-time banker and activist for the cause of downtrodden women in China. Still possessed by a missionary zeal, she has given up class struggle and thrown herself into "microcredit" lending schemes, muckraking journalism and the promotion of information for rural women, the profitable, fast-growing magazine she founded.

"I've always been a good organizer," Miss Xie said. One admiring acquaintance said, "She's got the form of a Communist revolutionary of the 1960s with the substance of very current issues of the 1990s."

Miss Xie is an example of a new kind of activist in China, neither Communist ideologue nor dissident but someone who is at once within the system and at odds with it. Still brimming with the type of hard-edged enthusiasm that must have once made her a frightening adversary in the Red Guards, she has taken up the cause of women who have been neglected by the urban elites who run the national Women's Federation. Miss Xie's magazine has become an important outlet for rural women, as well as a successful business venture.

Miss Xie has taken on some of Chinese women's worst — and, until recently, least discussed — problems. She is conducting a study on suicide among rural women, who kill themselves at rates that surpass almost any other group of people on Earth. She has highlighted the problems of domestic abuse of wives and runs a women's hot line in Beijing. Qianxi is one of five villages where she is running a microcredit program. She also runs an advice service for women who have been laid off, a growing problem.

Perhaps most unusual here in China, Miss Xie has taken up the cause of the *waidi*, literally "outsiders." These rural migrants come to cities in search of work. They are almost universally despised by city residents and blamed for crime and other ills. Miss Xie has started a support group for migrant women in Beijing to meet, learn new skills and find jobs in hospitals that need laborers.

Although she is often at odds with the

government, Miss Xie has been able to influence the government agenda. There is no civil society in China as people know it in America or Europe. There are no independent, nongovernmental organizations other than private businesses. Every group must find a Communist-controlled umbrella group. But by finding a niche tolerated within the national women's organization and becoming financially self-sufficient, Miss Xie has grabbed attention for many of her causes. What was once a fringe obsession of one woman is becoming part of the official agenda.

"Like a lot of people in their late 30s and 40s who try to do something innovative, they cannot persuade someone else to do it so they do it themselves," said a Western foundation representative familiar with Miss Xie's work. "If it means they have to go around corners, without doing anything illegal, they figure it out. And they can become incredibly powerful units of advocacy."

The roots of that sort of determination lie in the Cultural Revolution, which broke out when Miss Xie and her contemporaries were schoolchildren. Millions of young Chinese never recovered emotionally or educationally from that decade-long upheaval. But those who did possess a sense of purpose and resourcefulness that is unusual in China.

"This generation is a special generation," Miss Xie said of herself and her contemporaries, who are now hitting the peaks of their careers. "We have a mission in our lives to fulfill our own values and also to do something to contribute to society."

Miss Xie was only 14 when the Cultural Revolution broke out, a crucial time for most girls to be learning about themselves, boys and school textbooks. Miss Xie became the leader of the Red Guards at one of Beijing's elite secondary schools. Only one book mattered — the Little Red Book of quotations from Chairman Mao.

Miss Xie concedes that she did nothing — could do nothing — to stop the excesses of the campaigns to root out

"capitalist roaders" and people with bad class backgrounds.

In 1969, she joined the army and went to the southwestern province of Yunnan. She spent 14 years in the army. Again, she excelled, this time becoming the head of her unit.

Miss Xie finally returned to school in 1984, attending university part time while working at the Women's Daily in Beijing. She graduated in 1987.

While at the newspaper, Miss Xie made her mark with an expose about a Henan woman who was fired in a dispute over \$483 in unpaid wages. Her appeals to local officials, who were close to the

company manager, went unheeded. Miss Xie's article prompted an effort by the Henan company to get her demoted, and articles in the local papers defended the company manager. But Beijing stepped in to discipline five local officials and restore the woman to her job.

After that, a steady stream of mail to Miss Xie about abuse of women became a flood. One of Miss Xie's specialties became shattering myths about model women and families. One example held up at a conference she attended was about a woman who was married for eight years to a man paralyzed from the waist down. They were called a model family. Miss Xie visited and found the woman miserable and longing for children.

"Maybe there are such people and women who choose lives like this, but I don't think they should be held up as models," Miss Xie said.

Is Miss Xie a role model for modern Chinese women? Although concerned about the plight of poor women, she is not poor. She lives in a comfortable apartment with her husband, teenage daughter and cat. The apartment is equipped with modern TV, video and audio systems, and finished wood floors.

Her work and connections with overseas women's groups and foundations have made her well traveled. Because her work often takes her away from home, her success has been an issue in her marriage. Although an advocate for women's advancement, she once turned down an offer to become deputy mayor of one of China's cities. In an emotional interview for a television documentary a couple of years ago, Miss Xie bemoaned the unhappy state of her marriage.

"In the past, my husband has often wished for a normal family life," she says now. "But he gave up and let me do my work. His friends and colleagues feel pity for him and ask him whether he feels miserable. But he depends on me."

"But it is time to test the possibilities for bridging this gap."

IRAN: Clinton Proffers 'a Genuine Reconciliation' to Leadership

Continued from Page 1

Mr. Kharazi personally and that the foreign minister strongly supported Mr. Khatami's overtures toward the United States.

Mr. Kharazi said that Mrs. Albright's statement showed that "Americans are coming to some new understandings."

But he added that U.S. opposition to the building of a Caspian oil pipeline in Iranian territory was a sign of American hostility toward Iran.

Neither Mr. Clinton nor Mrs. Albright offered any concrete actions or made any specific demands on Iran, and it was unclear what steps either side might take next.

The relationship has been evolving slowly since January, bringing frustrated charges from some Iranian officials that the United States, by responding tepidly to an opening by Mr. Khatami, was strengthening the position of his hard-line critics in Iran.

Clinton administration officials have said in turn that they feared moving too

fast could harm Mr. Khatami's faction as he wages a power struggle against religious militants.

While Mr. Khatami has promoted cultural exchanges, the United States has relaxed its travel restrictions on Iranian diplomats and eased entry barriers to visiting Iranians. It also announced last month that it would not impose sanctions on three big foreign energy companies that want to develop a natural gas field in Iran.

Mr. Clinton's comments came five months after Mr. Khatami's overture, apologizing indirectly for the "hurt" caused to the American people after Islamic militants overthrew the Shah of Iran, a U.S. ally, in 1979 and seized Americans at the embassy in Tehran.

In an interview with CNN in January, Mr. Khatami said that the U.S. government "deserves respect" as a reflection of the "great American people." Mirroring his comment in her speech Wednesday, Mrs. Albright said that Mr. Khatami "deserves respect because he is the choice of the Iranian people."



Xie Lihua, with glasses, discussing a microcredit program in Qianxi.

BRIEFLY

Iraq Still Stalling, UN Official Says

UNITED NATIONS, New York — Iraq has refused to include some priority issues in a new two-month work program with UN weapons inspectors, the chief UN arms inspector for Iraq said Thursday.

In a written report to the Security Council on a just-completed trip to Baghdad, Richard Butler, the arms inspector for Iraq, said, "These included the extent of the VX (nerve gas) production, the accounting for proscribed missile propellants, and the clarification of the concealment actions and policies by Iraq."

Mr. Butler said the UN team did not accept Iraq's contention regarding propellants for Scud-type missile and verification of VX issues and would continue its investigation of those matters, in parallel with the agreed work program. (Reuters)

Shelling Resumes In Guinea-Bissau

DAKAR, Senegal — Fresh shelling erupted Thursday in Guinea-Bissau as a Gambian mediator pushed for a meeting with rebel leaders to discuss a truce in the West African country.

The International Committee of the Red Cross and Portuguese radio both reported a resumption of shelling in the capital, Bissau, ending a lull in fighting between army rebels and Senegalese-backed forces loyal to the president.

Portugal's envoy to Bissau, Francisco Henriques da Silva, said Foreign Minister Mamede Lamin Sedat Jobe of Gambia was expected to meet the rebel leader, Brigadier General Ansumane Mane, on Thursday.

President Joao Bernardo Vieira of Guinea-Bissau told the French newspaper *Le Figaro* that he might be willing to talk to the rebels, but that they had to lay down their arms first. (Reuters)

For the Record

A commuter plane billowing smoke crashed Thursday at Mirabel Airport near Montreal, killing all 11 people aboard, airport authorities said. (AP)



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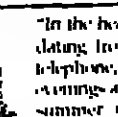


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BRIEFLY

**Iraq Still Stalling
UN Official Says**

UNITED NATIONS, New York — Iraq has refused to include its weapons program in a new two-year program with UN weapons inspectors, the chief UN weapons inspector for Iraq said Thursday. He said Iraq is still stalling on a just-completed report on a just-completed report on the extent of the VX nerve gas production, the accounting of the chemical weapons program, and policies by Iraq. He said the UN must accept Iraq's contention that the program is for Scud-type missiles and continue its investigation in parallel with the program.

**Shelling Resumes
In Guinea-Bissau**

DAKAR, Senegal — Fighting erupted Thursday in Guinea-Bissau as a Guinean army unit moved to discuss a peace agreement with the rebels. The International Committee of the Red Cross and Portuguese troops reported a resumption of fighting in the capital, Bissau, and between Senegalese-led forces and the president. The rebels, led by Amilcar Cabral, said they were moving to Bissau. The Senegalese leader, Mamadou Lamine Diouf, said he was in contact with the rebels. The rebels said they were in contact with the Senegalese leader. The rebels said they were in contact with the Senegalese leader.

For the Record

A commercial plane following a flight from Montreal to Paris was shot down by a missile on Thursday.



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ASIA/PACIFIC

Malaysian Insider Attacks Nepotism

Compiled in Our Staff From Dispatches

KUALA LUMPUR — Ahmad Zahid Hamidi, head of the youth wing of the United Malays National Organization, defied the party's establishment Thursday with an attack on what he called the debilitating impact of corruption on the party.

"Nepotism will bring Malaysia to its knees," Mr. Zahid said. If nepotism and cronyism continue, he said, the party's "effectiveness and leadership will no longer provide the people confidence."

His criticism at the opening of the annual meeting of the country's main political party came after Prime Minister Mahathir bin Mohamad told party leaders in a closed-door briefing that they must be careful not to split the party by making unsubstantiated claims.

Mr. Zahid vowed recently to discuss corruption, cronyism and nepotism at the convention, provoking criticism from party elders who consider the campaign a thinly disguised attempt to undermine Mr. Mahathir, who has been in power since 1981.

Mr. Zahid's remarks Thursday were greeted with loud applause from hundreds of the party's youth members.

"I wish to clarify that the meaning of nepotism and cronyism is that it's a practice that favors family, creed and close associates, which has now gone beyond the norms of race and religion," Mr. Zahid said. "This practice, we must wipe out."

Mr. Mahathir, the party president, is scheduled to deliver a two-hour address to the general assembly Friday. Nearly 2,000 delegates from around the country have gathered for the four-day convention of the party,

which has about 2.7 million members.

Deputy Prime Minister Anwar Ibrahim, who is often at odds with Mr. Mahathir over the proper path to economic recovery, rallied behind the prime minister in a speech to the convention Thursday.

The party "must unite as one front under our leadership headed by our prime minister," said Mr. Anwar, in a ringing endorsement of Mr. Mahathir.

He called on the party delegates to ignore foreign media reports noting wide leadership differences between him and Mr. Mahathir.

Mr. Mahathir said to reporters on Wednesday: "We see people saying things which they cannot prove, very general kind of accusations which have the effect of raising suspicion and yet not substantiated. This is very bad for the country."

But a fault line in the party appeared to deepen as Mr. Zahid, who is chairman of Bank Simpanan Nasional, cited another bank that he said recently extended loans without following proper banking rules.

He said the bank in question represented the interests of many party members.

Several members of the youth wing who spoke publicly after him praised Mr. Zahid.

"We salute his bravery in making the speech," said Zahari Kechik, a youth from northeastern Kelantan state. "We have to accept that this practice is happening, not only in the government and companies, but even around us."

But not everyone agreed with highlighting nepotism and cronyism at a time when the country is in economic

crisis. The head of the party's women wing, Zaharah Sulaiman, said: "You make people think this is the only thing that's happening to this country, and it is not true. It is not fair to just take this up and give it undue attention."

Some even questioned Mr. Zahid's

own credibility in bringing up the issue. "We agree with what he says, but we think he should also declare his assets immediately so that no one will accuse him of just using rhetoric," Subaimi Ibrahim, a youth leader from eastern Pahang state, said to reporters.

(Reuters, AFP, AP)



Two delegates posing before Mr. Mahathir's image.

Beijing Is Firm on Missiles

China Insists on Pact With U.S. on No First Use

Compiled in Our Staff From Dispatches

BEIJING — China and the United States should sign an agreement pledging no first use of nuclear weapons before they agree to re-target nuclear missiles away from each other, the Foreign Ministry said Thursday.

Asked whether China would sign an agreement on missile detargeting during a visit by President Bill Clinton next week, the Foreign Ministry spokesman, Zhu Bangzao, said, "We believe it is more important for China and the United States to first sign the no-first-use pact."

He reiterated that China's goal in developing nuclear weapons was self-defense and stressed that China had always undertaken not to use such weapons first.

The New York Times cited senior American officials Sunday as saying the United States and China were negotiating an agreement to no longer target each other with nuclear weapons. The negotiations were in preparation for Mr. Clinton's trip to China on June 25, the report said.

Earlier attempts to re-target the missiles failed because of China's insistence on the mutual pledge that neither side would resort to nuclear weapons first in a moment of crisis, according to the newspaper.

The United States refuses to make such a pledge because U.S. officials have long considered it meaningless and unverifiable.

China has 18 long-range missiles, while the United States has about 6,000 nuclear warheads.

Detargeted missiles can be quickly re-targeted. Nevertheless, the Pentagon spokesman, Kenneth Bacon, has said that a detargeting agreement would be "an important confidence-building measure" that would reduce the "hair-trigger aspect of the strategic nuclear arsenal."

Mr. Zhu of the Chinese Foreign Ministry said that as permanent members of the United Nations Security Council, China and the United States had a "common and major responsibility for maintaining international and regional development, security and stability."

Mr. Clinton's visit to China will "inject new vitality into the constructive strategic partnership between the two countries," Mr. Zhu said.

Beijing's hopes for Mr. Clinton's visit appear largely symbolic. China wants to showcase its growing role in international affairs and balance U.S. dominance as the world's

only remaining superpower.

Failure to win a deal on missile detargeting could leave China and the United States with little in the way of new agreements to sign during Mr. Clinton's visit.

Last week, James Sasser, the U.S. ambassador to China, said he was not optimistic that the summit meeting would produce a declaration of U.S. backing for China's long-stalled entry into the World Trade Organization.

Washington wants China to open its markets further to foreign goods before it joins the rule-setting body for world trade. The U.S. trade representative, Charlene Barshefsky, was in Beijing on Thursday for discussions on the issue.

Allegations bedeviling the White House of possible transfers of sensitive satellite technology to China also appear to have reduced the likelihood of Mr. Clinton bowing to Chinese demands that Washington ease restrictions on high-technology sales to China.

On the sensitive issue of human rights, Mr. Zhu said Beijing was speeding up preparations to sign a UN treaty on protecting political and civil rights. He added, however, that he did not know if a review would be finished in time for approval during Mr. Clinton's visit.

By signing the International Covenant on Civil and Political Rights, Beijing would ease domestic pressure on Mr. Clinton to severely criticize China's human rights record during his trip.

On another issue, Mr. Zhu said that Tibet is an integral part of China and Beijing is not about to open talks with its spiritual leader, the Dalai Lama.

"The Dalai Lama is a political exile who engages in activities splitting the country and undermining national unity," Mr. Zhu said.

Responding to questions about pro-Tibetan demonstrations last weekend in Washington, Mr. Zhu laid out the conditions under which China is prepared to talk with the Dalai Lama.

The Dalai Lama must give up secessionist activities and recognize Beijing as the legitimate authority over Tibet, Mr. Zhu said.

The United States recognizes predominantly Buddhist Tibet as a part of Chinese territory, but urges Beijing to preserve its unique culture, language and religion.

The Dalai Lama has been living in India since he fled his homeland in 1959 after a failed anti-Chinese uprising. India is home to about 100,000 Tibetan exiles. (AFP, AP)

U.S. Rethinks China Satellite Deal

By Jeff Gerth

New York Times Service

WASHINGTON — Faced with criticism of its satellite exports to China, the Clinton administration is rethinking whether to allow one of the biggest sales to date, a \$650 million deal that President Bill Clinton quietly approved two years ago.

Government officials said the Pentagon and State Department are raising new questions about whether a Chinese-controlled company with close ties to China's military should be allowed to buy the satellites, which contain sophisticated communications equipment.

The satellites are the cornerstone of a commercial mobile phone network planned for China and 21 other Asian nations. American officials said their design includes a powerful antenna that could eavesdrop on mobile phone calls in China or other countries in the region. It could also be used by the Chinese military to transmit messages through handheld phones to remote parts of China.

Antennas of these dimensions are a main-

stay of America's and Russia's eavesdropping satellites and have not previously been exported to China, though a sale to the United Arab Emirates is pending. They also can be used to extend the range of mobile phones used commercially.

Mr. Clinton leaves next week for China, and the administration had hoped to use the trip to showcase a variety of business deals and agreements, including enhanced cooperation on civilian satellite and rocket projects.

Mr. Clinton approved the Hughes project on June 23, 1996, after his advisers assured him that the communications satellite technology was readily available from European suppliers and would not contribute to Chinese military capabilities.

Donald O'Neal, a spokesman for Hughes, said the satellites are "inherently dual use," meaning that they have both civilian and military potential. "The satellite is not designed for military application," he said. "But I don't know how you can prevent it."

The federal government could still stop the deal.

BRIEFLY

200 Bangladeshis Hurt During Strike Protest

DHAKA, Bangladesh — Clashes during a general strike called to protest a government peace accord with Buddhist insurgents injured at least 200 people in parts of Bangladesh on Thursday, police and news reports said.

The daylong strike called by the country's main opposition parties halted most traffic and shut stores, disrupting normal life in the capital, Dhaka, and other major cities of Chittagong, Khulna and Rajshahi. In Dhaka, supporters and opponents of the strike fought with bamboo trenches and homemade bombs — small tin pots filled with explosives.

Police fired tear gas shells to push back rioters.

At least 100 people were injured and at least 160 protesters were detained in Dhaka, where nearly 3,000 protesters marched through the streets. More than 4,000 security officers guarded the government buildings and the city center.

No arrest was reported outside of Dhaka.

Nearly 2,000 former insurgents have surrendered arms as part of the December 1997 peace accord.

The strike was called by the Bangladesh Nationalist party of Khaleda Zia, the former prime minister, and its six rightist allies who say the peace accord gave too much to Chakma tribespeople at the expense of Muslim settlers from the north. (AP)

Fairness of Election Doubled in Cambodia

PHNOM PENH — A U.S.-based human-rights group has recommended postponing Cambodia's national election, saying conditions are not conducive to holding free and fair polls on July 26.

"The primary obstacle is neither logistical nor technical, but rather the determination of the ruling Cambodian People's Party to control the electoral process and restrict basic freedoms," said Sidney Jones, executive director of the Asia division of Human Rights Watch.

Acknowledging that a delay in the polls is unlikely just six weeks before the scheduled date, the group urged other nations to

apply economic and diplomatic pressure to help ensure the elections are as fair and violence-free as possible.

The pressure should be applied to make sure the Phnom Penh government agrees to meet certain minimum standards in organizing the election, said a Human Rights Watch report. (AP)

10 Injured by Bombs In Karachi Violence

KARACHI, Pakistan — Two bombs exploded within 30 minutes of each other in Karachi on Thursday, injuring 10 people in the southern port city's third straight day of violence.

Gunmen, meanwhile, killed two people — a hutchman working in his shop and a retired policeman waiting at a bus stop — and three officers were injured by gunfire while responding to reports of clashes, police said.

The first bomb exploded outside the Karachi Stock Exchange in the city's bustling financial district, injuring five people, officials said. The explosive had been hidden in a motorcycle parked outside the building.

The second bomb, also stashed in a motorcycle, blew up in front of the Sind provincial government building, within yards of the state's marble Parliament compound, also injuring five people, police said.

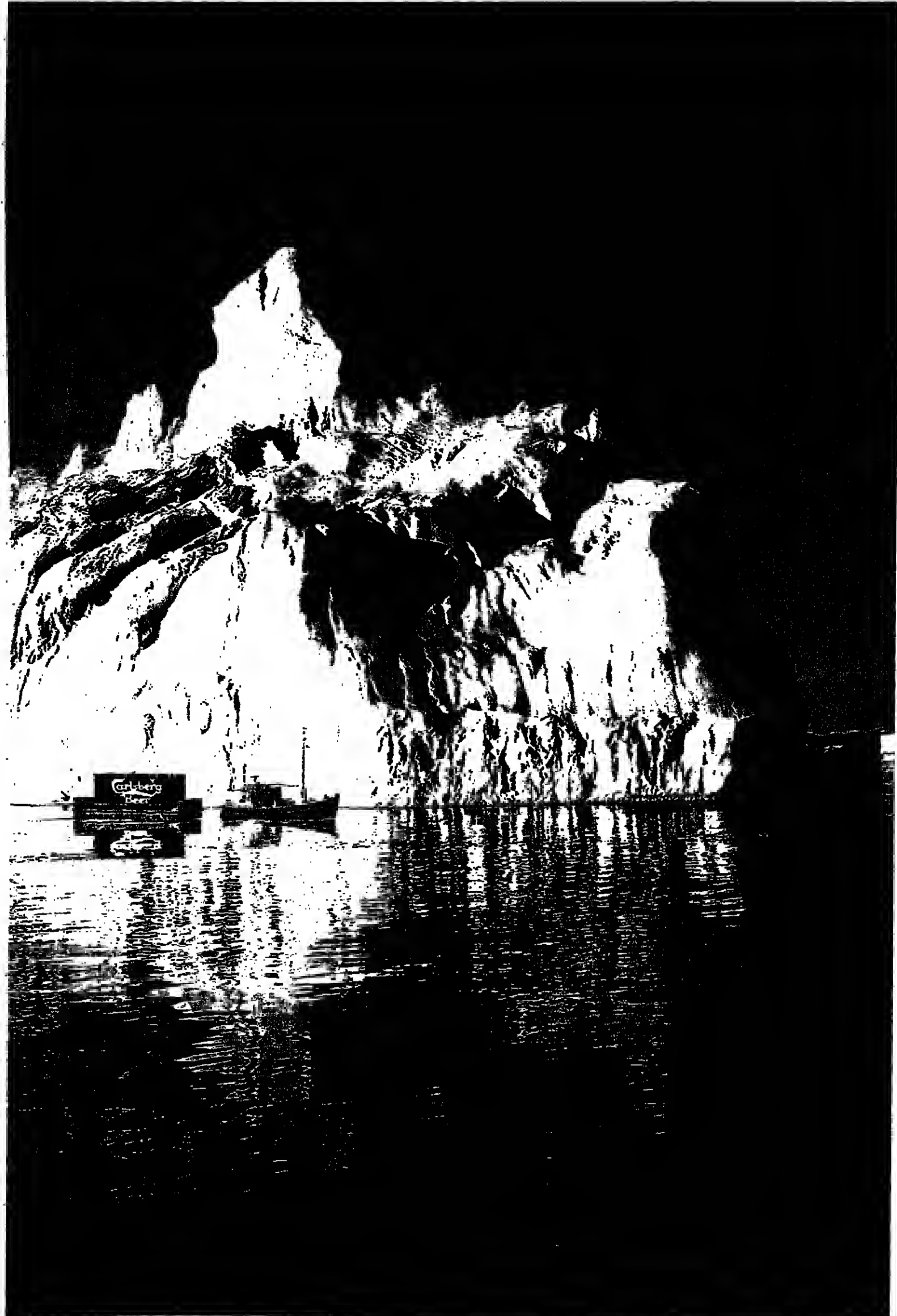
No one claimed responsibility for the bombings — the fourth to shake the city since Tuesday.

Nearly 100 people have been killed in violence in southern Karachi in the last month, with most of the deaths linked to bitter feuding between rival factions of an ethnic party. (AP)

Aquino Joins Protest

MANILA — Former President Corason Aquino joined a demonstration Thursday against a plan to bury Ferdinand Marcos in Manila's Heroes Cemetery.

Mrs. Aquino, who helped topple Mr. Marcos in a popular revolt in 1986, was among 200 people protesting the decision by President-elect Joseph Estrada to allow Mr. Marcos's body to be buried in the cemetery. The former dictator died in exile in Hawaii in 1989. "He is not a hero," Mrs. Aquino said. (AP)



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Britain Is

By Sarah...

LONDON — The British government has announced that it will not join the World Trade Organization until it has secured a commitment from the United States to reduce its trade barriers to British goods.

Czechs Poised First Leftist

But Social Democrats May

By Peter...

PRAGUE — The Czech Republic's first leftist government is poised to take office next month, as the Social Democrats prepare to lead a coalition with other left-wing parties.

The coalition is expected to win a majority in the upcoming parliamentary elections, which are scheduled for July 30.

The Social Democrats, led by Zdenek Mlynar, have been the dominant force in the coalition since its formation in May.

The coalition's victory would mark a significant shift in the Czech Republic's political landscape, as it would be the first time since the country's independence in 1989 that a leftist government has taken power.

The coalition is expected to implement a series of reforms, including the privatization of state-owned enterprises and the introduction of a new tax system.

The coalition's victory is seen as a reflection of the Czech people's desire for a more stable and prosperous future, and a rejection of the policies of the previous government.

The coalition is expected to take office in July, and will begin its work by addressing the country's economic challenges and improving the standard of living for its citizens.

The coalition's victory is a significant milestone in the Czech Republic's history, and a testament to the resilience of its people.

The coalition is expected to continue to work for the benefit of the Czech Republic, and to ensure that the country remains a member of the European Union.

The coalition's victory is a clear message to the world that the Czech Republic is a stable and democratic country, and is ready to take its place as a full member of the international community.

The coalition's victory is a testament to the power of the Czech people, and to their commitment to a better future for their country.

The coalition's victory is a significant achievement, and a source of pride for the Czech people.

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EUROPE

Britain Is Bemused as Tony Blair Puts On a Hip Proletarian Accent

By Sarah Lyall
New York Times Service

LONDON — Tony Blair is a prime minister who prides himself on his common touch, so there was nothing particularly surprising about what he said recently on a British talk show.

Mr. Blair delighted his host, Des O'Connor, by telling a joke about his mother-in-law. He described how he hung up on Queen Elizabeth when an airplane pilot ordered him to turn off his cell phone. And he told a long story about how he was presented with a gift horse by the mayor of a French village. "I wasn't sure whether to ride it or eat it," Mr. Blair said.

Ha, ha (or not). But joking aside, where were the prime minister's T's? What happened to his H's? Why, when he tried to say, "they put on a little show for us with the mayor of the little village," did it come out as, "they pu' on a li' show for us with they mayor of the li' village?" And why did he say, referring to the horse, that "e's come back to England?"

Or, as Bruce Anderson said, writing in *The Daily Mail*, "Why did the prime minister take reverse elocution lessons?"

As it watched the show, a nation acutely aware of the nuances of accent noticed with a jolt that the prime minister had apparently changed his.

The familiar Mr. Blair, with his soothing, almost preacher-like voice — a voice that sets him linguistically above the working classes and is a slightly modified example of what is known here as Received Pronunciation — had disappeared. In his place was a new Tony, a Tony speaking something called Estuary English, a hybrid accent that was first identified in 1984 and says something else altogether.

Taking some of its cues from traditional Cockney, such as the tendency to drop the "t" in words like "lot" and "little," Estuary English has become increasingly prevalent in the south of England and is generally used by modestly accented people seeking to appear more upscale, and by people with upscale accents, particularly teenagers in expensive schools, seeking to sound more street-wise.

Mr. Blair might well have picked up the accent from his young son, who attends the sort of posh London school where Estuary English flourishes in the mouths of students wanting street cred, said Paul Kerswill, a lecturer in linguistics at Reading University. Maybe Mr. Blair was looking for his own sort of street cred.

"I think he wants to be cool," said Mr. Kerswill, noting that Mr. Blair has made it clear that he enjoys playing the guitar in his spare time. "We probably got it from the Americans, the

idea that you can be a politician and hip at the same time."

Finding itself a bit on the defensive about the episode, Downing Street acknowledged that the prime minister sounded different, but denied that he had actually put on a new accent.

"When you're on a show like that and you're telling an anecdote, your voice changes to reflect the tempo of the anecdote," a spokeswoman said. "We all change our voice to suit the thing that we're talking about. And the prime minister is very good at impersonations."

But in a country obsessed with accent, Mr. Blair's obvious shift downward was a sign of the times and an interesting insight into his style as prime minister. While other prime ministers have certainly taken their accents down a few notches when it suited them, their forays into regional or working-class accents have generally reflected their own backgrounds.

In a famous elocutionary makeover, Margaret Thatcher, a grocer's daughter from Grantham, in Leicestershire, used her iron will to conceal her humble verbal roots, losing her local dialect and developing a classically upper-class accent that she then fine-tuned downward again on the advice of her public-relations team.

"They said, 'You've got to remove some of the posh features,'" said John Honey, a pro-

fessor of linguistics at the University of Botswana and the author of "Does Accent Matter?"

"She adopted that heavy breathing, intensive-care kind of voice," Mr. Honey said. "She dropped the pitch of her voice to sound more soothing and less strident, and she dropped the use of the impersonal 'one.'"

Mrs. Thatcher's real linguistic self rarely came out. But once, incandescent with fury in *Parliament*, she yelled "You're trait!" using dialect for "frightened." It was a slip that her Labor opponents would taunt her with for the rest of her career as prime minister.

While Mrs. Thatcher's successor, John Major, stuck to a bland if synthetic form of Received Pronunciation, Mr. Blair seems to be the first prime minister to have used Estuary English publicly, a state of affairs that caused dismay among some language purists, even those accustomed to hearing it spoken by other politicians.

"I was left screaming: 'Tony, you're a public-school, Oxbridge-educated lawyer,'" Brian Reade wrote in *The Daily Mirror*. "Why are you patronizing us?"

Anne Shelley, vice president of the Queen's English Society, said, "I was very disappointed with Tony Blair." Referring to the way he dropped his T's, she added, "His speech was

slowly and the glonal stop was the ugliest of the lot."

To several political reporters, the prime minister's sliding speech demonstrated nothing other than an alarming, Clintonesque desire to be all things to all people, to pretend he was "Reliable Ron from Romford," as Mr. Reade put it.

"The obvious explanation is voice-gearing: trying to persuade his audience that he is really one of them," Mr. Anderson of the *Daily Mail* wrote. "Mr. Blair is a politician who adapts his personality and views to his surroundings to avoid disappointment in the opinion polls."

But veteran language-watchers said they were not too upset by his foray into Estuary English. They have previously noted anomalies in the prime minister's speech, like the American-style tendency to muddy hard vowels in words like "conservative," so that it comes out as "con-serva-tuhv," and the tendency not to vocalize his L's, so that "arsenal" becomes "arsenaw."

"People in public life — particularly, perhaps, people in politics — need always to avoid the impression that they are in a world apart, in a sort of upper crust," said Lord Quirk, a linguist and member of the House of Lords. "On the other hand, they have to avoid giving the impression that they're talking down and joining in the yobbos, as it were. It is a very difficult mix to achieve."

BRIEFLY

Czechs Poised to Approve First Leftist Rule Since '89

But Social Democrats May Need to Share Power

By Peter S. Green
International Herald Tribune

PRAGUE — Seven months after ousting Vaclav Klaus, the longest-serving rightist leader in Eastern Europe, the Czech Republic is poised to elect its first leftist government since the 1989 overthrow of communism, in national parliamentary elections on Friday and Saturday.

But polls and interviews show that a lackluster campaign has failed to meld widespread public discontent with stalled economic reforms and corruption into support for a single party. Instead, analysts and commentators say, the results are likely to leave the Social Democrats, now in opposition, struggling to build a leftist or left-center coalition that may rely on the tacit support of both the rump Communist Party and Mr. Klaus's resurgent Civic Democratic Party.

The Czech Republic once led the former Communist world in its economic and political transition. But unfinished reforms contributed to a reduction in economic growth last year to near zero, and the currency lost about a fourth of its value. Rising crime, unemployment and budget cuts that have hobbled public services — including education and health care — have left many Czechs disillusioned with the Thatcherite panacea that Mr. Klaus offered during his five and a half years as prime minister and earlier service as finance minister after the Velvet Revolution. The interim government of the last six months has pursued similar, if more effective, policies.

First results from the vote are expected Saturday afternoon, but analysts say it may take months to build a working coalition government, making President Vaclav Havel the country's political kingmaker.

Opinion polls issued before a pre-election moratorium this week showed the Social Democrats poised to win 28 percent of the vote, with Mr. Klaus's party second with 23.6 percent. On the left, the polls indicated the Communists would win 10.3 percent, and that the Pensioners for a Secure Life, a new party led by a former Communist army colonel, would take 7.0 percent. On the right, the Christian Democrats would take 8.8 percent, with 8.4 percent going to the Freedom Union, a new party, led by Jan Ruml, the former

interior minister. The xenophobic Republican Party of Miroslav Sladek would squeak into Parliament with 6.1 percent.

Elections are being held two years ahead of schedule after Mr. Klaus was forced to resign in November. His junior party leaders had revolted over accusations that he had condoned donations to his party coffers in exchange for favors to the country's post-Communist privatization program.

For the past six months, a rightist government led by the former central bank governor has worked hard to complete the economic and institutional transformation that Mr. Klaus had largely abandoned. It has moved to privatize banks, clean up the corrupt stock market, improve life for the country's impoverished gypsies and bring to account at least some of those who embezzled billions of dollars from Czech banks, companies and investment funds.

The Social Democrat leader, Milos Zeman, has failed to define his party's platform, but as the only established alternative to four more years of Mr. Klaus, he has won significant support.

Ignoring the charges of corruption and economic failure, Mr. Klaus has made his campaign a referendum on his own person. He paints the election in Cold War terms, warning of what a party colleague called the "red triangle" of Social Democrats, Communists and Pensioners.

"The threat is real," Mr. Klaus said. "They are ready to introduce creeping socialism in this country."

He was more vague on just what form creeping socialism would take. "They want to change the equation between the citizen and the state," he said.

But few people see any sign of a return to communism. "The feeling is that all the politicians are thieves, so we'll pick the one who is at least a competent leader," said Mr. Sadr, the newspaper editor.

Mr. Havel, still ailing from a lung cancer operation in 1996 and an emergency partial colostomy two months ago, has advised voters to pick parties that offer concrete solutions to the republic's problems.

"The country is at a crossroads," Mr. Havel warned. "It will either become a civilized European democracy with a developed political culture, or turn into a banana republic."



BACK HOME — Louise Woodward, the British au pair who was convicted of killing a child in her care in Massachusetts, walking with her father, Gary, through a terminal at Heathrow Airport outside London after a U.S. court allowed her to leave. She flew back to England from Boston early Thursday.

German Rail Passengers Appeal

BONN — A German rail passengers' association called on the state railroad Thursday to improve the safety of high-speed trains after the country's worst rail disaster in more than 50 years.

The appeal by the Pro Bahn passengers' association was made after a Hamburg-Berlin train was slowed but not derailed by rocks placed by saboteurs on a 50-meter stretch of high-speed track, the police said.

A spokesman for the federal border guard said that an Inter-City Express train, like the one that was derailed and crashed two weeks ago in the town of Eschede, killing 100 people, had passed through the rocks near the northern town of Buecheo at a speed of 150 kilometers an hour (90 mph).

The incident Tuesday evening was the latest in a string of at least 40 attacks on railroad tracks this year.

A Pro Bahn spokesman, Holger Jansen, said that the crash in Eschede could have been prevented and that efforts to inspect and improve deficiencies were insufficient. A broken wheel has been blamed for the crash. (Reuters)

Russia Warns on Proposed Court

ROME — Russia said Thursday that unless a proposed International Criminal Court was placed under the strict control of the United Nations Security Council, it was "doomed to failure."

A Russian deputy foreign minister, Iuri Ushakov, told a UN conference on establishing a permanent tribunal for the worst mass crimes: "Such attempts are counterproductive. A court not working in close combination with the Security Council of the United Nations is doomed to failure."

Russia was the last of the five permanent members of the Security Council to speak, and Mr. Ushakov made it clear that his country followed the United States and China in seeking strict limits and veto power on the court's authority.

France had been in that camp, but broke ranks Wednesday with a significant compromise in which it said it would accept the automatic jurisdiction of the court over genocide and crimes against humanity, but not over war crimes.

Britain, the fifth permanent Security Council member, is one of some 50 "like-minded" states that have been pressing for an independent court with a prosecutor free to initiate proceedings with no strings attached. (Reuters)

11 Die in Lightning Fire in Urals

YEKATERINBURG, Russia — At least 11 persons, including the head of a military base, died in a fire after lightning hit an explosives store in Russia's Urals region, officials said Thursday.

The fire started Wednesday when lightning struck the explosives store in the village of Losiny, 30 kilometers (20 miles) northeast of the regional capital, Yekaterinburg. Huge explosions and a fire quickly spread. (Reuters)

Cyprus Denounces Visit by Turkish Jets

Compiled by Our Staff From Dispatches

LEFKONIKO, Cyprus — Six Turkish F-16 warplanes swooped into northern Cyprus on Thursday in the latest exercise in brinkmanship between Turkey and Greece.

The jets, bristling with weaponry, parked on the tarmac at a small Turkish Cypriot airport in Lefkoniko. Tight security measures were in place, and anti-aircraft guns were stationed on the runway.

Three of the planes later left. They circled low over the airport before screeching off north toward Turkey.

The deployment was in retaliation for an unprecedented visit by four Greek F-16s and two C-130 transport planes to the southern Cypriot air base of Paphos this week.

The arrival of the Turkish aircraft angered the Cyprus government on the south of the divided Mediterranean is-

land. It denounced what it described as "provocative" violations of its airspace by Turkish jets and said it would make protests to international organizations.

"Cyprus remains calm to the attempts by Turkey to create artificial tension," a five-line statement issued by the government spokesman's office said.

Greece, meanwhile, said Turkey was violating international law by sending warplanes to bases in northern Cyprus but dismissed the move as nothing new.

"Turkey already has an abundance of weapons systems illegally on Cyprus soil," Foreign Minister Theodoros Pangalos said. "I don't see how this in any way changes the present situation."

A Greek Cypriot military source said, "We will protest the violation of our airspace to the United Nations."

The Aotolia news agency quoted Prime Minister Mesut Yilmaz of Turkey as saying during a visit to Romania:

"With the air force deployed on the island, Greece has exhibited its offensive intentions directed against Turkey. It is out of the question for Turkey not to respond to that."

Mr. Yilmaz warned Greek Cypriots they would come off worse if friction grew.

"The Greek Cypriots would be the ones who suffer from an escalation in tension," he said.

Asked about the possibility of war on the island, Mr. Yilmaz said: "Of course, we do not want such a thing. But to a large extent this depends on the attitude of the Greek Cypriots."

Turkey was also planning to send a cargo plane full of staff officers, the private NTV television station said.

Turkey keeps 30,000 troops in a self-declared northern Turkish Cypriot state. Greece and the Greek Cypriots have had a defense pact since 1993. (Reuters, AP)

Yugoslavia Won't Relent on Kosovo Crackdown

Reuters

PRISTINA, Serbia — Yugoslavia defended its crackdown on ethnic Albanian separatists in Kosovo on Thursday and refused to withdraw its troops.

The Yugoslav foreign minister, Zivadin Jovanovic, said that talks with the Albanian side should begin immediately, but that Belgrade would not accept an international mediator.

More than 300 people have been killed and tens of thousands have fled their homes in the southern Serbian province since February, when police

cracked down on separatist ethnic Albanian guerrillas of the Kosovo Liberation Army.

Mr. Jovanovic said in Brussels after talks with his Belgian counterpart, Eric Derycke, that his government was ready to solve "all issues through direct, unconditional dialogue."

The talks, he said, should take place against a background of respect for territorial integrity and for human rights and national minority rights.

Asked if Belgrade was ready to pull its troops and special police back from

the crisis zone, Mr. Jovanovic said: "It's not a foreign territory. They are needed there."

Mr. Jovanovic's message was unlikely to dispel suspicions that President Slobodan Milosevic of Yugoslavia is unwilling to make any fundamental change of strategy in Kosovo, where months of conflict have fanned fears of a wider Balkan war.

Separately, Albania accused Serbian border guards of killing an Albanian citizen just inside its territory and dragging his body back across the border.

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EDITORIALS/OPINION

Herald Tribune

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Yes, a Strong Court

After decades of discussion and years of long and fractious planning meetings, a permanent international criminal court to try the likes of Pol Pot and Saddam Hussein is close to becoming a reality. This week in Rome, representatives of 156 nations gathered to write rules for a court, which will take the form of a treaty for nations to ratify. They should not waste this opportunity to put international muscle behind their rhetoric on punishing international crimes. They should design an effective and independent court, and not give in to nations such as the United States that want to cripple it.

Washington's reservations, which come principally from the Pentagon, stem from fears that a court will bring frivolous or politically motivated cases against American soldiers, who are stationed all over the world. Such concerns are important, but the court's planners have addressed them. They decided that the court's jurisdiction will not be invoked unless national systems of justice are unwilling or too weak to deal with the crimes. Every indictment will also have to be confirmed by a panel of international judges, in some cases two panels. The judges themselves will be carefully chosen. Finally, by common consent,

only the gravest international crimes are likely to come before the court.

Nevertheless, Washington has tried a variety of strategies to weaken the court. Many countries, now including France, recognize the need for an independent prosecutor who can decide that alleged crimes in, say, Iraq or Kosovo need investigating. Washington wants that decision made by the UN Security Council or by individual countries, which are rarely willing to accuse each other.

Another worrisome idea would require a nation's consent before its own citizens could be prosecuted. This would give someone like Saddam Hussein the power to block his own prosecution, a major step backward from current international law. International support for this position is eroding, but Washington is alarmingly silent.

The United States may yet come around to supporting an effective court. But if it does not, the court's planners should not weaken it just to please the great powers. The U.S. Senate, which has been slow to ratify many human rights treaties, is not likely to approve the court soon anyway, another reason not to tailor the plan to the Pentagon's specifications.

—THE NEW YORK TIMES

Can Tokyo Deliver?

Treasury Secretary Robert Rubin did well to withhold U.S. support for the sliding Japanese yen until receiving assurances from Japan of fundamental economic reform. It was a risky strategy, because the yen's decline will set back economic recovery in the rest of Asia. But Mr. Rubin is right that in the long run only Japanese restructuring, and not intervention in the currency market, can defend the yen. Prime Minister Ryutaro Hashimoto on Wednesday promised just that.

But Wednesday's accord, while boosting the yen at least temporarily, does not erase the most fundamental concern, which is Japan's heretofore lackadaisical attitude toward its own economic malaise.

Japan is unquestionably in a recession that threatens to send the rest of Asia and even other parts of the world into a prolonged depression, as a World Bank official warned on Tuesday. Yet Japan's ruling party is more concerned with domestic politics and international image than with actually tackling its problems. The fact that once again U.S. pressure was needed to spur a commitment to reform is one more sad indication of the abdication of leadership within Japan.

Given the frightening statistics known to all Japanese, this apathy in the face of trouble might seem surprising. Unemployment is at a postwar high, after all. The yen has been trading at eight-year lows, the stock market is well below half its peak value, banks are saddled with bad loans. Yet, in truth, most Japanese do not feel themselves to be in crisis. Their record high unemployment rate, at 4.1 percent, is

still enviably low by world standards. Japan is in a gradual slide toward stagnation rather than in sharp crisis. The ruling party is expected to win upper house elections next month. People still live comfortably.

That is definitely not true in much of Asia outside Japan, including Indonesia, South Korea and Thailand. In those countries, economic crisis is causing real suffering, and Japan's recession is a major aggravation. Japan provides less of a market for Asian goods, and its own exports displace those from the rest of Asia increasingly as the yen loses value. How much Japan cares about this is open to question.

There is another crucial difference between Japan and other Asian nations with stricken economies: Japan has the financial wherewithal internally to solve its own problem. What has been lacking is political will.

This is not to say that solutions will come easily. By repeatedly failing to deliver on its own promises of reform, Japan's government has severely damaged its credibility. And by postponing, year after year, a reckoning for insolvent banks, Japan has ensured that dealing with the bad-loan problem will be far more painful than it had to be.

Nonetheless, such a reckoning as promised by Mr. Hashimoto on Wednesday, is essential to Japan's long-term recovery. It must be accompanied by serious fiscal stimulus, including a permanent — not one-year — tax cut, and by serious reform. The currency markets, like the rest of the world, will watch to see whether this time the Japanese can deliver.

—THE WASHINGTON POST

Other Comment

Nuclear Irresponsibility

Question: What is the closest the world has come to a nuclear exchange since the end of World War II?

Robert McNamara: In the Cuban missile crisis period — that was October 1962. The world came within a hairbreadth of nuclear war.

At the time, the CIA did not know that nuclear warheads had been delivered to Cuba. We had photographs of missile launchers, but we thought the warheads were yet to come. It took 30 years to learn there were 161 nuclear warheads there, including 90 tactical warheads to be used against an invasion — and we came that close to an invasion. We came so close — both Kennedy and Khrushchev felt events were slipping outside their control.

Question: If that's how close we came, then what is the lesson to be learned so many years later?

Robert McNamara: The lesson is very clear. We all make mistakes. I think the Cuban missile crisis was the best-managed foreign policy crisis this nation has confronted in 50 years. But we came that close. We lucked out. We can't depend on that for the future.

We say we learn from our mistakes. There isn't going to be any learning period in nuclear weapons: You make

one mistake, you're going to destroy nations. Therefore the lesson was [that] the indefinite combination of human fallibility and nuclear weapons carries a high risk of destruction of nations.

—From a CNN "Worldview" interview on Tuesday.

The nuclear-weapons declared states have had a good run of successes. They have succeeded in getting the Nuclear Nonproliferation Treaty extended indefinitely, over many objections, and had the Comprehensive Test Ban Treaty passed over India's objections. Yet anyone looking at the disarmament record of the Five would be embarrassed, if he or she were fair. And the unattainable goal of complete nuclear disarmament officially lies in the distant future — beyond the horizon.

—S. Nihal Singh, commenting in *Khaleej Times* (Dubai).

[Washington's] failure to censure China for its unremitting effort to help Pakistan become a nuclear power has dramatically altered the strategic world order. The implications of world inaction in the face of China's audacity are of the utmost gravity.

—James Webb, commenting in *The New York Times*.

A Great Project, but Europe's Leaders Don't Lead

By Flora Lewis

COMO, Italy — Europe is all set for a giant new step to integration, the abandonment of national currencies by 11 of the 15 EU members and adoption of a single, common legal tender.

Already, French banks are sending depositors their monthly accounts calculated in euros, alongside francs, which will continue to circulate until 2002. No one doubts any longer that the momentous change will take place, probably smoothly.

And despite some doomsday prophets such as the American economist Martin Feldstein, who says it will lead to war, the dominant opinion is that it will definitely be successful. Just the prospects of a single currency are being credited now with protecting the Europeans' money against the impact of the Asian financial crisis.

But there is little public enthusiasm for this historic move. The tremendous enthusiasm and hope that the Common Market generated in the 1960s and again in the late 1980s have faded away.

No one wants to undo what has been established, but all the advantages acquired tend to be taken for granted. The focus is on the occasional irritants and relatively modest sacrifices made for common benefit, as if the achievements were God-given like rain and

sunshine but meriting complaint when it rains on the day of a picnic.

Two conferences last week on the outlook for Europe reflected the loss of clarity and confidence in what a united Europe wants to be, what it wants to do. One, at the Aspen Institute in Berlin, was a French-German dialogue which mainly highlighted the basic differences between the two societies and their assumptions. The other, convened by the Council for the United States and Italy in Como, had a wider scope but no more consensus on the major goals.

The tendency is to discuss details and technical points, which inevitably leave the broad public feeling that it has no part in the debate and makes it hopelessly dull for all but experts.

The experts never fail to bemoan the lack of interest, but there are no plans for what to do about it. It is called "the democratic deficit," and the public and the media are usually blamed.

I fault primarily the politicians who are not adequately doing their job of explaining the decisions they make, sometimes courageously but without a real attempt to tell people why it matters and what is to be gained. They

make it all sound like grist for accountants, and go out of their way to follow moods evoked by pollsters' questions, not to lead to an understanding of the true reasons for change.

It is easy to criticize the Brussels "Eurocracy" for whatever dissatisfies. They don't seek votes or have to take electoral responsibility for what is done. The joint letter of French President Jacques Chirac and German Chancellor Helmut Kohl to the European summit at Cardiff this week was a flagrant example of Brussels-bashing for domestic political points, and it was not even an accurate summation of who does what.

The two leaders warned against the Commission's power and push to intrude in national affairs, although this is the result of national decisions that they were among the most eager to promote.

In fact, it has been pointed out, it is governments, not Brussels, which spend 80 percent of the Union's annual budget. The total Brussels staff, including secretaries and translators who must work with 11 official languages, is 16,000, compared with 45,000 employed by the city of Paris alone. Only some 2,000 have executive-level posts. The failure to move on the Maastricht treaty commitment for a

common foreign and security policy is entirely due to member governments. So is the failure to advance toward the institutional reform that all realize is essential if the Union is not to lose most of its clout and cohesion as it expands.

Eleven more countries have been recognized as candidate members, yet the Union still functions on the format established for six states, three large and three small.

It is the candidates — and Turkey, which bitterly resents being kept off the list — whose people keep alive the vibrant aspirations for a united Europe. They want to join not just a free trade area but an institution devised to promote peace and prosperity for its members, the original and still central goal.

This prospect risks no longer being there for them, and for existing members, if leaders lose sight of the purpose and evade the need to expound it so as not to have to define what they mean by Europe.

What has been achieved so far is totally the result of political will and vision. Nothing just happened unbidden. Much more effort is needed to sustain public support for this great enterprise which is transforming the history of nations.

Flora Lewis

In Indonesia, Protect and Integrate the Ethnic Chinese

By Adam Schwarz

WASHINGTON — The reports trickling out from ethnic Chinese victims of the violence in Jakarta in mid-May are casting a pall on Indonesia's transition to democratic rule. Numerous ethnic Chinese Indonesians have come forward with accounts of murder, rape and other atrocities.

The spasm of violence has left the ethnic Chinese community deeply traumatized, and has tarnished Indonesia's cherished self-image of tolerance.

Proponents of democracy and the pluralistic values embodied in the national ideology *Pancasila*, beginning with leading figures of President B.J. Habibie's administration, have a duty to condemn the violence in the strongest terms and bring to justice its perpetrators. Prospects of peaceful political reform, economic recovery and cultural harmony depend on it.

Women's and human rights groups say dozens of ethnic Chinese women were raped, many of them gang-raped, from May 13 to 15. Some of the women later committed suicide. Many ethnic Chinese believe that renegade military units organized, supported or condoned the violence.

The testimony of victims suggests that the rapes were premeditated and intended to terrorize the ethnic Chinese community, a tactic used to horrifying effect in Bosnia. Groups advocating independence for East Timor have long claimed that the military adopted similar tactics in East Timor.

Premeditated or not, the violence has had the effect of driving many ethnic Chinese out of Indonesia. More than 30,000 are thought to have left after the riots. It is not known

how many have returned or intend to. Many urban-based ethnic Chinese are living in fear of the future, ready to flee at new signs of unrest.

The bulk of the ethnic Chinese community, however, is poor and without the means to escape. They have been doubly hurt, first by the economic crisis and then by the violence.

Indonesia is home to hundreds of ethnic groups, and preserving harmony as it becomes more democratic will be a tall order. The ethnic Chinese, 4 percent of the population, pose an especially tricky challenge to Indonesia's new leadership because of their economic clout.

Ethnic Chinese-run conglomerates are estimated to control up to 70 percent of the modern, private economy.

How the Chinese are treated will have a profound demonstration effect for the rest of Indonesia's ethnic mix.

The task of ensuring the security of the Chinese can be accomplished only by reducing the resentment that many Indonesians feel toward them. Much of it stems from the feeling that they enjoyed special treatment under President Suharto. Breaking up Chinese-run monopolies and cartels doled out by Mr. Suharto would begin to heal the wounds.

But it is only a start. Mr. Suharto's approach of suppressing public discussion of ethnic rivalries failed. The Chinese today feel no more secure than they did in 1965. Indigenous business leaders and most of their ethnic Chinese counterparts acknowledge that the current domination of the economy by the ethnic Chinese

is unsustainable in a more democratic political setting.

The question is what to do about it. In the current climate of uncertainty and distrust, neither side is in a mood to negotiate. The government can play a useful role by acknowledging the existence of a problem, facilitating discussion between representatives of the two camps, and resisting the urge for a quick fix.

Elements of Malaysia's New Economic Policy, an affirmative action program introduced after riots in Kuala Lumpur in 1969, could be profitably borrowed by Indonesia.

Moderate voices in the business elite argue that the problem is best tackled through an evolutionary approach which keeps

the short-term focus on restoring economic growth. They should reject efforts by some radical Muslim groups to push forward with an abrupt wealth redistribution program, which in any case is likely to succeed only in leaving indigenous figures in control of highly devalued assets in a devastated economy.

Government policies which restrict ethnic Chinese political and cultural rights and accentuate exclusiveness should be scrapped. The Chinese should be admitted to the military and civil service and enjoy the same political opportunities as other Indonesians. Most ethnic Chinese families have been in Indonesia for generations.

At the same time, the Chinese business community needs to demonstrate a willingness to negotiate in good faith a package

of long-term measures designed to reduce ethnic tension.

The ethnic Chinese should support government programs to train indigenous entrepreneurs, to broaden asset ownership through privatization of state enterprises, and to support small and medium-sized businesses. The biggest ethnic Chinese-owned conglomerates should be more ambitious in bringing in indigenous managers and investors. The political environment in Indonesia is changing, and the ethnic Chinese need to change with it.

The writer is the Edward R. Murrow Fellow at the Council on Foreign Relations and author of "A Nation in Waiting: Indonesia in the 1990s." He contributed this comment to the *International Herald Tribune*.

The Economy First, Then the Politics

By John R. Bolton

WASHINGTON — The Indonesian economic and political crisis provides an important test for post-Cold War American foreign policy.

The Clinton administration's jumbled approach is, in substantial part, responsible for the present state of affairs.

The U.S. Treasury Department had for some time been insisting that Indonesia adopt changes to open itself to true market forces and end much of the economy's government-privileged and protected status. Unfortunately, Treasury pursued these reforms through an IMF effort that, by seeking to lessen the blow-back on imprudent Western lenders, increased the ferocity of the economic change felt by Indonesians.

Other elements of the administration pressed for the resignation of President Suharto and the implementation of wide-ranging political reforms.

These objectives may be ultimately desirable, but the short-term impact of pressing for all of them simultaneously led Indonesia to disaster.

The essential U.S. interest is to re-create a policy environment in which the Indonesian economy can stabilize, international investor confidence can be restored and political change can take place at a moderate pace, without rioting or military intervention.

The Clinton administration should get out of the internal political disputes now consuming Jakarta and focus on critical economic changes. Indonesia's domestic political order is currently less important than its international economic recovery.

Many in the Clinton administration adhere to the entirely ideological abstraction that democratic reform will solve all of Indonesia's multiple problems. Not only does this approach ignore reality, it betrays a 1960s nostalgia for student demonstrators and a reflexive antipathy toward authoritarian rightist governments.

The "democracy first" approach is not based on a clear assessment of the priorities of either America or Indonesia and its near neighbors. Concentrating on political issues now can only exacerbate strains.

Although harsh, the economic changes should produce relatively rapid market responses.

The political issues, especially those implicating economic problems, are far more difficult.

For example, even immediate democratization would not solve and might seriously worsen the dismal relations between the Muslim majority and the ethnic Chinese. What are now only hints of an aggressive Islamic fundamentalism could become significant political forces in the world's largest Muslim country.

These and many other intractable problems, including secessionist pressures, were kept below the boiling point during Mr. Suharto's tenure. His departure opens them up.

The necessary economic reforms will, in due course, produce many of the political changes that human rights groups clamor for. The question is whether the United States and others can prioritize their interests sufficiently to avoid provoking social overload in Indonesia by demanding too many changes too soon.

Anti-American feeling, often through the proxy of anti-IMF feeling, is already high. Political meddling is more likely to increase it than to engineer real political improvements.

Pursuing political abstractions at the expense of clear economic realities could push Indonesia over the brink into a chaos that would make the past few weeks appear benign.

The writer, an assistant secretary of state in the Bush administration, is senior vice president of the American Enterprise Institute. He contributed this comment to the *Los Angeles Times*.

A Kosovo Policy of Firm Balance

By William Safire

WASHINGTON — Russia's new national security adviser, the thoughtful academician Andrei Kokoshin, is in Washington to reassure the Clinton administration that it should not worry about Moscow's technology exports to Iran.

At a breakfast with reporters, Boris Yeltsin's man was asked if Russia would stand with NATO in responding militarily to Slobodan Milosevic's bloody crackdown in Serbia's mainly Albanian province of Kosovo. "No need to use force," he replied.

But, I pressed, wasn't the credible threat of force necessary in diplomacy? Mr. Kokoshin replied in an accented English and mock-serious tone reminiscent of Henry Kissinger world-weary explaining geopolitics to non-professionals: "That is not a universal truth."

But it is surely a regional truth. In the cauldron of ethnic and religious hatred known as the Balkans, the philosophy attributed to the gangster Al Capone applies: "You get more with a kind word and a gun than with a kind word alone."

Britain and France, followed by the United States, have finally seemed to grasp that regional truth. As usual, however, Mr. Kokoshin's compatriot, the spy-master-diplomat Yevgeni Primakov, has inserted himself between the interests of human beings and the interests of a tinpot tyrant.

When the West finally realized that it had to use bombs to stop Serbia's rape of Bosnia, it was despite Mr. Primakov's foot-dragging. But Bosnia was independent; Kosovo is part of Serbia.

The Russians have an interest in seeing to it that Serbia maintains sovereignty in Kosovo. If Albanian separatists succeed in breaking free, then Chechen separatists would establish the precedent for their secession from Russia.

Already Chechen fighters are infiltrating into Kosovo to help ethnic Albanians establish the principle that old borders are not sacrosanct and that ethnicity should determine nationality.

Americans' natural impulse is to side with the oppressed Kosovars. Mr. Milosevic manipulated Serbian war criminals in Bosnia. His arrogant abrogation of the Kosovars' autonomy a decade ago invited today's trouble. By driving tens of thousands from their homes, he has radicalized the local population behind the separatists.

But is America prepared to use its military might to support local uprisings around the world? Who is a patriot to be protected and who is a terrorist to be condemned? The United States cannot encourage revolt within countries, but neither can it ignore blatant violations of human rights or ethnic cleansing. That means that it cannot adopt a hard-and-fast policy of either total isolation or righteous intervention.

In northern Iraq, for example, a no-fly zone enforces autonomy for the Kurds, but the United States does not threaten Turkey with an independent Kurdistan. In Indonesia, Washington should be urging Jakarta's

new regime to negotiate the return of East Timor to independence. In Tibet, it should lean hard on China to stop its repression. But in Africa, where Eritrea seceded from Ethiopia, the separated peoples are now warring; even breaking up is hard to do.

Where does that leave us with Kosovo? Inaction creates a vacuum sucking in Greeks, Turks and Persians.

NATO's contact group should ignore Mr. Primakov's smokescreen and tell the duplicitous Milosevic: Pull your brutal troops out now and let refugees return, or else. Expect no more flyovers, pinpricks or off-again-on-again sanctions. If NATO is forced to hit 60 Serbian surface-to-air missile sites would be the first targets, and then out go the lights in Belgrade.

Simultaneously, the West should warn Albanian "liberators": We're not providing air cover for secession. Support your moderates' negotiations. Unless Mr. Milosevic chooses war, make your goal the return of autonomy.

If such a deal calls for a European border patrol to reassure the Serbs about infiltration, let Europeans man it, supervising joint Serbian and Albanian teams. America should help with satellite surveillance and economic aid but not make another open-ended commitment to be the cop on Europe's beat.

Granted, this satisfies neither Serbian sovereign rights nor Albanian ethnic yearnings. But no nation has a right to wipe out or drive out inhabitants not in rebellion. That's a universal truth.

The New York Times

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Malaria Find

NEW YORK — Professor Koch, who has recently returned from German East Africa, addressed a distinguished audience assembled under the auspices of the Colonial Society on the subject of malaria in the tropics. The great bacteriologist stated that he had found the study of Texas fever in cattle of the greatest assistance in casting light upon the nature of malaria. The cattle disease had been found to be transferred from one herd to another solely by the agency of that animal parasite, the tick. He had arrived at the conclusion that in the case of the human disease mosquitoes probably played the part which ticks played in the cattle disease.

1923: Etna Eruption

CATANIA — The eruption of Mount Etna, which has been going on for the last fortnight, sud-

denly assumed alarming proportions last night [June 17], when, after a series of loud explosions accompanied by violent shocks, a large number of new fissures appeared on the north-eastern side of the volcano, flooding the vineyards and a whole forest of pine trees with molten lava. The station of the little town of Castiglione was completely destroyed today. Several villas on the outskirts of the town have been overrun by the advancing lava, and the inhabitants have fled in terror to the countryside.

1948: German Split

BERLIN — The economic split of Germany became final tonight [June 18] as this nation learned that its previously uniform money will be replaced on Sunday [June 20] with a separate currency for the three Western zones, but with the old Reichsmark prevailing temporarily in the Soviet Zone and Berlin.

Herald Tribune

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OPINION/LETTERS

Victory Will Take Time
In the War on Drugs

By David F. Musto

WASHINGTON — After three decades of studying the history of drugs and drug policy in the United States, I was impressed (and surprised) by the Clinton administration's recent proposal for a 10-year drug strategy.

Here, at last, comes recognition of the need for a steady and consistent policy over an appropriate span of time. A common fault in drug policy has been anticipating or promising dramatic results within an unrealistically brief period.

Therefore, when the speaker of the House rejected the strategy's goal as too drawn out and defeatist, I wondered whether our American drug policy could ever escape the insistent, immediate demands of our political life.

Newt Gingrich feels that a 10-year strategy indicates pessimism and perhaps lassitude in dealing with the drug problem. The Civil War, he says, "took just four years to save the Union and abolish slavery." Why can't we solve the drug problem, another form of slavery, in just a few years?

A look at our first drug epidemic, which peaked between 1900 and World War I, reminds us that the duration of a wave of drug abuse has been roughly a half-century even in the face of severe penalties and popular condemnation.

To approach the drug problem as if it were the gasoline shortage of the 1970s is to misunderstand the nature of the problem.

Reducing and stopping drug use requires fundamental changes in the attitudes of millions of Americans, and that shift in attitude is more gradual than we would wish.

When Mr. Gingrich praises the decline in drug use among young people from 1979 to 1992, he is talking about a decline that was just 1 or 2 percent a year. Declines to drug use are gradual, at least when compared with the heated promises we have heard for three decades about a quick elimination of the problem.

Thus a 10-year strategy is reasonable in that it promotes a steady pressure against drug use, less affected by shifting political forces. An approach that transcends more than two presidential terms even carries a hope that the

issue can be lifted out of partisan conflict.

Demanding quick solutions to the drug problem inevitably leads to frustration because the decline rate is never as steep as promised. This may lead to more severe penalties, the scapegoating of minorities and, finally, discouragement.

Can we say anything positive about the congressional statement contained in the 1988 Anti-Drug Abuse Act that the United States should be drug-free by 1995? Such misperceptions of our experience with drugs create a sense of failure, even though drug use generally has declined since 1980. Promises of a quick fix may energize concerned citizens for a while, but the larger effect is to discourage them.

Repeated, hyped, short-term campaigns to end drug abuse "once and for all" (a federal government slogan of 1972) are reminiscent of cocaine use. Every time the same dose is taken the impact lessens, the temptation to increase the dose escalates and, finally, you have burnout.

Mr. Gingrich's Civil War analogy suggests he was not wearing his historian's cap when he spoke. The Civil War marked the culmination of many decades of an abolitionist campaign that gradually changed Americans' attitude toward slavery. Altering perceptions is at the heart of such principled efforts, and it cannot be done quickly.

This is the wisdom of John Adams's observation that the American Revolution was "done and the principles all established and the system matured before the year 1775." For Adams, to focus on the War of Independence was to lose sight of the "revolution in the minds of the people" that occurred in the two decades before the shot was fired at Lexington.

This is the historical perspective we must bring to the campaign against drug abuse. We do not need simplistic references to short wars that supposedly ended prolonged and embedded social evils.

The writer, a professor of child psychiatry and the history of medicine at Yale School of Medicine, contributed this column to The Washington Post.



LETTERS TO THE EDITOR

Recognize Kosovo

Again we in the West allow Slobodan Milosevic to call the tune. Faced with the reality of his oppression — verging on genocide — in Kosovo, we make only vague calls for negotiations.

The West is making the mistake of saying it prefers to keep the remainder of Yugoslavia together. Of course, the proliferation of small, perhaps unviable states is not an attractive prospect. But why make a difference in principle between, say, Slovenia and Kosovo when fundamental human rights are being crushed?

The argument of noninterference in a country's internal affairs has already been rejected with the Helsinki Final Act of 1975, which makes violations of human rights a legitimate diplomatic issue. The West should not be paralyzed by the UN Security Council is unable to act. In any case, the legal argument could be circumvented by recognizing Kosovo as an independent state.

WILLEM VAN EEKELLEN
The Hague.

On Indonesia

Regarding "Suharto's Record: Flawed but Nonetheless Admirable" (Opinion, May 27) by Robert Egan:

In Indonesia in the mid-1950s there were indeed hotels, taxis and telephones — maybe not of the style or quantity that Mr. Egan would have liked, but they existed nevertheless.

Yes, Mr. Sukarno left Indonesia in a big mess. But after 32 years of Mr. Suharto's rule, millions of people still live below the poverty level. They do not have air-conditioning or phones, and many do not know where their next meal is coming from.

If there was any admiration for Mr. Suharto in the early days, it was completely lost during the last 10 years of his rule. His family and cronies became rich while he virtually bankrupted the country. If he had left power 10 years ago and put the country in the hands of capable technocrats, Indonesia would be relatively prosperous.

J. DIENAR
Jakarta.

Who's Right?

Regarding "Ignore the IMF and Bring Interest Rates Down in Asia" by Philip Bowring, and "First, Hobbie Hos to Restore the Indonesian Economy" by David

G. Brown (both Opinion, June 9):

Mr. Bowring, writing about the economic plight of Asia in general, says that, "apart from the off-off impact of devaluation, inflation is nowhere to be found."

Mr. Brown, writing about Indonesia, says that "inflation is spiraling out of control and could exceed 100 percent this year."

What is the average reader to make of such disparate statements?

J.R. ROELE
Orvilliers, France.

A Gleam in the Eye

Surely one of the great advantages of aging is a deeper appreciation of cerebral pleasures. So I said, then, that instead of celebrating the expansion of mind and spirit in our later years and the waning tyranny of hormones, we choose to lower ourselves to the level of medicated laboratory rats?

Thanks to Viagra we face a possible army of octogenarian studs with drug-induced gleams in their eyes, a sight that would make any lady worthy of the name head for the hills. Before the birth control pill, women had a good excuse to go to bed with a book. Before Viagra, so did men.

RUTH LAMBERISI
Brussels.

Blacks and Whites Unite
After a Texas Lynching

By William Raspberry

WASHINGTON — Jasper, Texas, already reeling from an apparent lynching, is about to play reluctant host to a Ku Klux Klan rally.

Talk of adding insult to fatal injury!

And yet, do not be surprised if tiny Jasper comes through not merely O.K. but as a stroger.

MEANWHILE

more racially unified example for America.

Already, the town's response to the June 7 slaying of James Byrd Jr. has been extraordinary. The gruesome killing — three white men have been charged with chaining the 49-year-old black hitchhiker by his ankles to their pickup truck and dragging him to his death — might have set off an explosion of racial bitterness, even warfare.

It didn't. And the reason it didn't is because the whites in Jasper moved quickly and convincingly to demonstrate that they were as aghast at the brutality as were their black neighbors.

The lynching, they made clear through a series of public statements, interracial rallies and joint prayer vigils, was an offense against Jasper — against humanity — and not merely against African-Americans.

This little town in the piney woods of East Texas reminds me of something I have often wondered about: How do people who were on the wrong side of racial issues a generation ago feel about it now? Have they made peace with themselves? Have they hardened into thoroughgoing racists? Do they crave forgiveness?

I think of the young white waitress who went ballistic when a respectable older black cleric from the North addressed her as "my dear" in (as I recall it) a Mississippi café. This must have been around the time of the Emmett Till lynching, and for a time the minister appeared to be in serious danger. I wonder if the waitress remembers the incident (she must) and if she has any regrets.

I would love to spend a few minutes with the white survivors of those earlier race wars and get them to reflect on their own roles.

Are they proud? Ashamed? In denial? I mean ordinary folk, not the governors and imperial wiz-

ards but folk like the hate-spewing New Orleans "cheerleaders" who taunted little black children as they integrated the local schools, or the whites in Little Rock, Arkansas, who did the same thing.

Or the people who knew about the haters and the night riders and did nothing to discourage their activity. Or the ministers who found it prudent to put their Christianity on hold. I wonder what they have to say for themselves today?

I don't wonder about the folk — black and white — in Jasper.

There is no doubt in my mind that they will be proud to tell their children how they stood up against racial horror and helped bring their town together.

I had been prepared (as Jesse Jackson and other members of the black leadership obviously had been) to see James Byrd's slaughter in the old context of Southern lynchings. I expected black anger and white denial. I expected retaliatory strikes against whites (not necessarily against the perpetrators, who probably would not be apprehended or convicted, but against white people). A lot of us expected the whole thing to play out primarily in racial terms.

Jasper's response was human, not racial, and to an encouraging degree it lifted the rest of us Americans above mere racial reactions, made us think a little differently about things.

Not all of us, of course. Some whites may not feel any particular remorse, and some blacks will review the calls for calm, the praying together and the offers of healing as a bow to racism out of weakness.

But most people, I suspect, will see it as I do: not an intelligent, hopeful and humane response to the worst sort of inhumanity. And as a result the people of Jasper, black and white, have isolated the toughness.

Now the people of Jasper, including the town's black mayor, have agreed, reluctantly, to let two units of the Klan hold a rally at the end of next week. The out of town Klansmen say their purpose is to disavow any involvement in the Byrd murder.

I will not be surprised if the town manages to turn even a Klan rally toward racial healing.

The Washington Post.

BOOKS

THE KNIFE THROWER
And Other Stories

By Steven Millhauser.
256 pages. \$22. Crown.

Reviewed by A.S. Byatt

THE best, and strangest, of Steven Millhauser's curious and tantalizing new stories are dreamlike tales of altered consciousness — a child on a flying carpet, a balloon navigator in the Franco-Prussian War — but the most original and successful are written in the first person plural. They are told by dry, anonymous voices: by people who are at once community and an audience, since the stories are characteristically about peep shows, pleasure domes and performances.

They recount, in a sense, the communal fantasies of a democracy. They have a characteristic modern tone of connoisseur, or journalism — they occasionally include imaginary reporting in their accounts. But what they tell is like Hawthorne, Hoffman and Kafka. Indeed, Kafka's tale of Josefina, the singer of the mouse people, is the nearest analogy I can think of for the narrative voice.

The title story is about a performance by a virtuoso knife thrower. Hensch, maker of precise bloody marks. It moves from skill to the fulfillment of secret desires, in the audience and in those members of the audience who volunteer as targets. It steps beyond the bounds of the comfortable, and the shrewd, complicit representative voice goes with it.

"The Sisterhood of Night" describes, precisely and dryly, the rumors and theories surrounding a secret society of girls age 12 to 15 who meet in silence at night in a small town. The voices are a blend of gossip and reportage. The girls may be doing something unacceptable or nothing at all. There may be a witch hunt in the making. Or the whole thing may merely be a comic fuss about adolescent secret societies.

The best stories add to the communal whisper an interest in artifacts, constructions, inventions, mostly those constructed by our grandparents in the days of

clockwork and early technologies. In "Little Kingdoms" Millhauser wrote brilliantly about the real and unreal forms of the first animated cartoons, a new kind of two-dimensional imaginary world for the mind to inhabit. Here "The New Automatoo Theater" tells the tale of a German city proud of its miniature theaters, and the career of a master automaton maker who moves from perfect miniature verisimilitude to grotesque caricature. The anonymous narrative voice analyzes the pleasure in miniaturization, the pleasure in likehood, the pleasure in unlikelihood. "The real is used to bring forth the unreal," it says.

In "The Dream of the Consortium" Millhauser has created what must be almost the ultimate version of that minor genre, department store fiction. The consortium buys the department store and makes it a fantasy world where the customer may purchase anything he wants, enter a reconstruction of any time or place he chooses. Millhauser's own ingenuity is delicious — he moves from catalogues of objects where the price of his own solid imagination is the pleasure, to huge impossible commercial projects, to a metaphysical version of the sense, we all have in shopping malls that there is no way out of these alleys and vistas of required desire and artificial paradises (and infernos, for those who want them). His eclectic lists are dizzying: "you could purchase quartz heaters, power mowers, Venetian palazzi, electric pencil sharpeners, Scottish castles, cordless phones with teo-channel autoscans, flying buttresses, mulching tractors... lagoons, sphinxes, exorcycles, black leather recliners. Upper Palaeolithic Caves with drawings of bisons..." and so on.

What is the fascination of these communal artifacts? I think that we as a group feel a kind of horror, as well as an aesthetic admiration, at skill in puppetry, automation, mimicry. We are troubled by arts like knife throwing, which make artificial plays with real dangers.

Coleridge, writing of the imagination and mimesis, claimed that whereas we love real peaches and skillful paintings

of peaches, we recoil in horror from a mimetic marble peach. Millhauser's world is the imaginary world that once held angels and demoes, mythic beasts and gardens, heaven and hell. The imagery of our human frontiers, upward and downward — the blue heaven above and the cavern below — appears with surprising constancy in his tales. His characters soar into the blue, stepping off gables astride flying carpets, in hot air balloons, on Ferris wheels.

They go underground — the last tale in the book, "Beneath the Cellars of Our Town," is an account of an American town that teeds and preserves a system of underground passages (where no one ever gets lost) to experience again and again the pleasure of going into the dark, and also of returning to daylight and seeing it differently. Coleridge's "Kubla Khan" constructed a secondary paradise, "a sunny pleasure-dome with caves of ice." In a way, Millhauser's anonymous representative narrators inhabit a tertiary paradise, a tertiary underworld.

He is not condemning the commercial or the artificial. He is making them strange, celebrating their true, innocent and sinister poetry. He is celebrating the arts that satisfy communal desires — for gossip, for escape, for imagined elsewhere.

He does it for the most part through the artifacts of previous generations, which have become part of our communal fantasy. It would be possible to relate these backward-looking tales to the anticipation of our stepping, as whole communities, into virtual worlds much as we step into rooms with magic windows in the corners, flickering images of everything and everywhere at us, appealing to our desire to consume.

But he is also doing what all good art does: explaining art itself, how it works and works on us, how much and why and in what riddling ways we need it.

A.S. Byatt, whose books include "Possession" and "Angels and Insects," wrote this for The Washington Post.

BRIDGE

By Alan Truscott

AMERICA'S bridge players owe a debt of gratitude to a quiet man, who has just retired. He is Roy Green, who in five and a half years as head of the American Contract Bridge League greatly increased the organization's net worth, to \$4 million, from \$1.5 million. His successful initiatives include the Bridge Hall of Fame and an expansion of the league's library.

Retirement will give Green more opportunity to play, and he is sure to take it. On the

diagramed deal, from a regional tournament in Hot Springs, Arkansas, he sat South. His partner was another prominent league retiree, a former editor of the A.C.B.L. Bulletin, Henry Francis.

After the one no-trump opening, the overall of two spades went over the boundary line from the impertinent to the ridiculous. East could have suffered a penalty of at least 500, but luckily for him, South was in no position to double.

Green bid his hearts and insisted on that suit. He was unsure about the quality of his

partner's spade stop, and was willing to play in a 5-2 fit. The spade king was led and taken by dummy's ace. South cashed the ace and king of clubs and surrendered a club, preparing to ruff the fourth round in dummy.

West led his remaining club winner and South ruffed with the queen, unaware that the eight would have been good enough. He then led the spade jack, which was covered by the queen and ruffed. This pinned the ten, so after drawing trump dummy's nine gave the declarer an overtrick and nearly all the match points.

NORTH (D)			
♠ A J 9 2			
♥ Q 8			
♦ A J 8 3			
♣ A 7			
WEST			
♠ K 10			
♥ 10 7			
♦ K Q 10 7			
♣ J 9 2			
SOUTH			
♠ 8			
♥ A K J 4 2			
♦ 8 4 2			
♣ K 10 8 3			

Neither side was vulnerable. The bidding:
 North: 1NT, 2♣, 3♥, 4♥, 5♥, 6♥, 7♥, 8♥, 9♥, 10♥, 11♥, 12♥, 13♥, 14♥, 15♥, 16♥, 17♥, 18♥, 19♥, 20♥, 21♥, 22♥, 23♥, 24♥, 25♥, 26♥, 27♥, 28♥, 29♥, 30♥, 31♥, 32♥, 33♥, 34♥, 35♥, 36♥, 37♥, 38♥, 39♥, 40♥, 41♥, 42♥, 43♥, 44♥, 45♥, 46♥, 47♥, 48♥, 49♥, 50♥, 51♥, 52♥, 53♥, 54♥, 55♥, 56♥, 57♥, 58♥, 59♥, 60♥, 61♥, 62♥, 63♥, 64♥, 65♥, 66♥, 67♥, 68♥, 69♥, 70♥, 71♥, 72♥, 73♥, 74♥, 75♥, 76♥, 77♥, 78♥, 79♥, 80♥, 81♥, 82♥, 83♥, 84♥, 85♥, 86♥, 87♥, 88♥, 89♥, 90♥, 91♥, 92♥, 93♥, 94♥, 95♥, 96♥, 97♥, 98♥, 99♥, 100♥.
 East: 1NT, 2♣, 3♥, 4♥, 5♥, 6♥, 7♥, 8♥, 9♥, 10♥, 11♥, 12♥, 13♥, 14♥, 15♥, 16♥, 17♥, 18♥, 19♥, 20♥, 21♥, 22♥, 23♥, 24♥, 25♥, 26♥, 27♥, 28♥, 29♥, 30♥, 31♥, 32♥, 33♥, 34♥, 35♥, 36♥, 37♥, 38♥, 39♥, 40♥, 41♥, 42♥, 43♥, 44♥, 45♥, 46♥, 47♥, 48♥, 49♥, 50♥, 51♥, 52♥, 53♥, 54♥, 55♥, 56♥, 57♥, 58♥, 59♥, 60♥, 61♥, 62♥, 63♥, 64♥, 65♥, 66♥, 67♥, 68♥, 69♥, 70♥, 71♥, 72♥, 73♥, 74♥, 75♥, 76♥, 77♥, 78♥, 79♥, 80♥, 81♥, 82♥, 83♥, 84♥, 85♥, 86♥, 87♥, 88♥, 89♥, 90♥, 91♥, 92♥, 93♥, 94♥, 95♥, 96♥, 97♥, 98♥, 99♥, 100♥.
 South: 1NT, 2♣, 3♥, 4♥, 5♥, 6♥, 7♥, 8♥, 9♥, 10♥, 11♥, 12♥, 13♥, 14♥, 15♥, 16♥, 17♥, 18♥, 19♥, 20♥, 21♥, 22♥, 23♥, 24♥, 25♥, 26♥, 27♥, 28♥, 29♥, 30♥, 31♥, 32♥, 33♥, 34♥, 35♥, 36♥, 37♥, 38♥, 39♥, 40♥, 41♥, 42♥, 43♥, 44♥, 45♥, 46♥, 47♥, 48♥, 49♥, 50♥, 51♥, 52♥, 53♥, 54♥, 55♥, 56♥, 57♥, 58♥, 59♥, 60♥, 61♥, 62♥, 63♥, 64♥, 65♥, 66♥, 67♥, 68♥, 69♥, 70♥, 71♥, 72♥, 73♥, 74♥, 75♥, 76♥, 77♥, 78♥, 79♥, 80♥, 81♥, 82♥, 83♥, 84♥, 85♥, 86♥, 87♥, 88♥, 89♥, 90♥, 91♥, 92♥, 93♥, 94♥, 95♥, 96♥, 97♥, 98♥, 99♥, 100♥.

West led the spade king.



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INTERNATIONAL

U.S. Policy Toward India Hypocritical, Official Says

By John F. Burns
New York Times Service

NEW DELHI — The Indian defense minister says President Bill Clinton should explain why the United States believes that it can "trust China with nuclear weapons" while imposing economic sanctions on India for seeking a nuclear deterrent against threats from its nuclear-armed neighbors, China and Pakistan.

Speaking a week before Mr. Clinton is to leave Washington to visit China, Defense Minister George Fernandes said U.S. policies on nuclear weapons were "hypocritical" because they sought to entrench the arsenals of the five established nuclear powers while shutting out countries such as India that believe they need nuclear weapons for their defense.

Mr. Fernandes said Indian leaders had noted recent news reports in which Clinton administration officials had spoken of the United States and China becoming "strategic partners" and of plans for an agreement that neither side would aim nuclear missiles at the other.

At the same time, Mr. Fernandes said, the United States was leading efforts to punish India with economic sanctions for its underground nuclear tests last month.

"I would ask Bill Clinton only one question," Mr. Fernandes said in an interview. "And it would be this: Why is it that you feel yourself so close to China, that you can trust China with nuclear weapons, just as you can trust yourselves with nuclear weapons, and you can trust the Russians and the French and the British, but you cannot trust India?"

In the interview, Mr. Fernandes hinted at the kind of nuclear arsenal India intends to develop following the five nuclear tests it conducted, and the six tests Pakistan says it carried out in response.

He said the arsenal would be only large enough to act as a deterrent to potential aggressors, and that India would not get drawn into the kind of arms race that led the United States and the Soviet Union to amass huge stockpiles of nuclear arms. Mr. Fernandes said India had learned the lessons of the Cold War.

"The United States, with all the might of its nuclear weapons, had to finally get out of Vietnam, and Russia had to surrender, of all people, to the Chechens," he said. "So it is an established fact that any country that has nuclear weapons cannot use them. By definition, they can be used only as a deterrent."

He added: "If we had to go nuclear, it was for the purpose of possessing a nuclear deterrent that would enable us to tackle some of the threats that we faced, only that." He described these threats as coming primarily from "across the border to the north," meaning from China, and from Pakistan, which he said had been aided by transfers of nuclear and missile technology from China.

Mr. Fernandes refused to go into details on the number of nuclear warheads India felt it needed, or how they would be deployed. But in response to a question, he said India's approach would follow what defense analysts here have described as "restrained deterrence."

The term has been used here to describe a nuclear arsenal powerful enough to deter aggressors but not so large as to impose crippling economic costs. Many Indian experts have said that an arsenal of this kind could be "warehoused" to be deployed only in a crisis.

Deve Gowda Leads Protest

A former Indian prime minister on Thursday led a silent march of more than 2,000 people to oppose a nuclear arms race in the Subcontinent, Reuters reported from Bangalore, India.

"Manufacture and use of nuclear weapons will not lead to global peace," H.D. Deve Gowda said after leading the march for six kilometers (four miles) in the southern Indian city of Bangalore.

Mr. Deve Gowda was prime minister for 11 months until April 1997, heading a 13-party United Front coalition government.



Two Palestinians amid the ruins of their home in Tekoa on the West Bank after it and three others were demolished by Israeli bulldozers Thursday because they were built without the required permits. Critics charge that Israel denies permission to Arabs while encouraging Jewish settlers in occupied areas.

MODEL: In a Conversion, 2 Major European Leftists Decide U.S. Economic and Jobs Policy Can Be a Guide

Continued from Page 1

many — no longer worked as well for the Old Left in the wider world of European voters and investors.

Without either man's saying so, the praise for the United States had the look of an attempt to nudge the public's perception of their views of economics in the direction of Europe's Socialist middle ground, as exemplified by Prime Minister Tony Blair of Britain or Prime Minister Wim Kok of the Netherlands.

Mr. Jospin, visiting Washington, told reporters, "I changed my view of the United States, which was more the traditional one for a man of the left."

That had meant portraying the American boom as one founded on social injustice and insisting that the United States' remarkable unemployment rate — currently 4.3 percent compared with France's 11.9 percent and Germany's 11.4 percent — had been underpinned by the creation of a mass of low-paying, precarious jobs without real career perspectives.

Now, Mr. Jospin has proclaimed that as old-think. "Contrary to what we said, and perhaps what we believed, and what may have been the case 10 years ago," he explained on the radio station Europe 1, "the creation of employment in America isn't in its majority based on a bunch of little jobs."

CABINET: Holbrooke to UN

Continued from Page 1

closeted with Balkan leaders at an air force base in Ohio, Mr. Holbrooke helped broker the 1995 Dayton peace agreement over Bosnia.

After he returned to his job with a New York investment firm, Mr. Holbrooke continued to take diplomatic assignments, serving as Cyprus envoy and traveling to Yugoslavia this spring to pressure President Slobodan Milosevic to temper his crackdown against Kosovo's separatist Albanian guerrillas and negotiate to restore the province's autonomous status within Serbia.

While acknowledging Mr. Holbrooke's talent, some senior Clinton advisers — in particular Secretary of State Madeleine Albright — initially were wary of bringing him into the fold, according to senior officials.

The fear, they said, was that Mr. Holbrooke's penchant for the spotlight and a reputed tendency to trample over bureaucratic opposition would make him more trouble than he is worth.

Other names contemplated for the cabinet-status UN posting were George Mitchell, the former Senate majority leader and head of the peace talks in Northern Ireland, and Representative Lee Hamilton, Democrat of Indiana and

"There's absolutely no doubt that there are lessons to be learned in the United States in the area of jobs," Mr. Jospin said, and threw in the words "competitive," "forceful" and "dynamic" to characterize the American economy.

Mr. Lafontaine, whose functions include responsibility for economic policy in the election team of Gerhard Schröder, the Social Democratic candidate for chancellor, described the United States as a model for creating expansion in a speech before pharmaceutical industry representatives in Berlin. Coming from a man usually associated with the classic German Socialist view of state-controlled capitalism, the speech was regarded as singular enough by the Frankfurter Allgemeine Zeitung to label an article about it with the headline, "Lafontaine Full of Praise for America."

The account said Mr. Lafontaine enumerated the expansion-minded financial policy of the Reagan era, greater flexibility in the labor market and a growth and job-oriented monetary policy as the basic reasons behind the United States' current success. Its essential key, he said, was that unlike in his country macro-economic coordination existed in the United States.

Although labor market liberalization and more flexible social protection rules

have been described by members of the Clinton administration, the International Monetary Fund and the Bundesbank as the levers that could end Europe's cycle of joblessness, the two men's statements left unclear whether they might have any practical bearing on policy in either Germany or France.

In the case of France, there has been no indication from the government that it

'There are lessons to be learned in the U.S. in the area of jobs.'

will attempt to sustain the increased growth rate of the past months with less-rigid labor market policies.

Some Socialist leaders have suggested that the coming of the 35-hour week in France, the centerpiece of Mr. Jospin's economic convictions, will eventually serve as a protective screen for a wide-ranging reorganization of the highly regulated job market. But the French Employers' Association insists that it sees none of this on the horizon, and says that it now must deal with new rules that complicate the previous minimum wage law.

"It's great if Mr. Jospin recognizes some of the American virtues," a spokesman said, "but he ought to be spending as much time on the French

Netanyahu Weighs Vote On West Bank Pullback

The Associated Press

JERUSALEM — Prime Minister Benjamin Netanyahu said Thursday that he was looking into ways of holding a referendum on a West Bank troop withdrawal, a step that would further delay a pullback but effectively silence those trying to prevent it.

Recent polls have suggested that two-thirds of Israelis support a U.S. proposal for a 13 percent pullback. Jewish settler leaders have said they would carry out protests to try to topple Mr. Netanyahu over such a withdrawal, which would bring 40 percent of the land under Palestinian control.

Mr. Netanyahu on Thursday confirmed reports that he was examining various ways of holding a referendum on a withdrawal. "We are checking the possibility," he said.

Addressing another sensitive issue, Mr. Netanyahu also pledged to begin construction soon on 6,500 homes for Jews in traditionally Arab East Jerusalem. The Palestinians hope to set up a future capital in the city's eastern sector and suspended negotiations with Israel

in March 1997 after ground was broken for the project.

Openly acknowledging a quota system for the first time, Israeli government planners said an overriding concern was to keep the Palestinian population of the disputed city to no more than 30 percent. The quota was described in a plan for Jerusalem's development through 2020 submitted Thursday to Mr. Netanyahu by a special committee for Jerusalem.

Planners said a key development guideline was that "the relative size of the Jewish and non-Jewish populations in the city should be maintained."

If Jerusalem is to remain the united capital of Israel, "it will be necessary to aim for a target in which 70 percent of the population will be Jews and 30 percent will be Arabs in 2020," the report said.

Palestinian leaders denounced the guidelines. "This is a racist approach, part of the ethnic cleansing policy Israel is implementing against Arabs in east Jerusalem," said Ziad Abu Zaid, a member of the Palestinian legislative council from Jerusalem.

exceptions that will damage us, such as the 35-hour week."

An element that may be in the back of Mr. Jospin's mind, and possibly that of Mr. Lafontaine, is that the Asian crisis may force more flexibility on Europe faster than it had expected. Alongside his favorable characterization of the U.S. job market, Mr. Jospin said that the Asian situation was affecting growth and that "we are already suffering from a decline in our gross domestic product."

With France continuing to live within the narrow parameters of the Growth and Stability Pact of the European Union, the Organization for Economic Cooperation and Development projects that in 2003 the country will have been unable to lower its unemployment beneath 10.1 percent. The OECD report, whose publication in April required French government approval, sets a growth rate for France of under 3 percent in the years 2000 to 2003.

The same officially sanctioned OECD projection sets Germany's jobless rate in five years at 9.7 percent, still more than double the level in the United States, while the rhythm of German growth is expected to roughly parallel that of France.

What Mr. Lafontaine appears to have done is to make a particular example of

the growth-oriented policies of the U.S. Federal Reserve Board. In doing so, he has chosen an area where Germany will be dramatically less sovereign in the next years with the transfer of monetary policy to the European Central Bank. Although he noted labor market flexibility as one of the elements of the American success in creating jobs, his party's program suggests little divergence from its traditional line of tight job market regulation.

With national labor markets remaining areas of direct national government control in the European Monetary Union, the Social Democratic platform notably calls for repeal of legislation facilitating layoffs in middle-sized and smaller businesses.

Under these circumstances, the contradictions are extensive. But if a Social Democratic government is elected in Germany, the new tone in the judgment of the American economy by the French and German left might foresee a German-French jobs initiative that would include eased hiring rules and the introduction of an expansionist monetary course.

This would require a softening of the EMU stability criteria. For the time being, this constitutes an idea so sensitive and vast that it almost never leaves the locked drawers in the two Socialist parties' think tanks.

JAPAN: No Feeling of Political Unrest

Continued from Page 1

"Everybody has jobs, everybody has health care and nobody's out on the street," Mr. Morse said. "Even companies that are losing money aren't laying people off."

Certainly Japan does not have the feel of a country in a severe downturn. There are few homeless people, soup kitchens, bankruptcies or vacant buildings. While there are some differences in measurement, the record unemployment rate in Japan is still just 4.1 percent, less than the 4.3 rate in the United States.

An old saying defines a recession as when your neighbor is laid off; when you are laid off, it is a depression. By those definitions, for the great majority of Japanese this is still not a recession.

The gap in perceptions inside and outside Japan on the seriousness of the economic situation here is difficult to exaggerate.

To Americans and many Asians these days, it sometimes seems that Japan's economy has caught fire and is threatening to ignite all of Asia and perhaps the United States and Europe as well. For those fearing a global economic conflagration, nothing is more infuriating than the sight of Prime Minister Hashimoto passively watching the flames and seeming to do little more than blithely insisting that the fire will eventually subside.

In a similar situation, Nero fiddled, but not for eight years — that is the kind of grumbling one hears from American officials these days.

To Japanese officials, the foreign carping seems foolish and petulant. Some say that the U.S. government is simply nervous about its own bubble economy and is looking for a scapegoat to blame when stock prices inevitably collapse. And most Japanese say that the risks are exaggerated.

"The realities of Japan's economy are not as bad as the world thinks," said Jiro Ushio, the chairman of the influential Japan Association of Corporate Executives.

Moreover, many Japanese insist that their country is seriously addressing the recession and the Asian crisis. They note that the Japanese government has begun a huge stimulus package, the biggest in the nation's history, and has contributed far more to Asian bailouts than the United States.

To suggest that we might be oblivious is not, I think, well-founded," said Sadaaki Numata, the chief Foreign Ministry spokesman.

In any case, for all the bewilderment and anger at Japan's reluctance to do more to bolster its economy, seen up close Mr. Hashimoto's behavior makes some sense and appears in keeping with the public mood. After all, Mr. Hashimoto just celebrated the Liberal Democratic Party's latest victory in a parliamentary election Sunday.

That was the sixth consecutive victory in by-elections for the Liberal Demo-

crats, and polls suggest that they will also do very well in elections for the upper house of Parliament on July 12. The upper house is much less significant than the lower house, but the election will nonetheless be an important test of public sentiment — and Mr. Hashimoto seems ready to pass with flying colors.

A newspaper poll this week in the Yomiuri Shimbun, taken right before the intervention to support the yen, found that the support for Mr. Hashimoto's government had fallen to 30 percent. But perhaps more important, 29 percent of those interviewed said that they still supported the Liberal Democrats, compared to just 5.5 percent for the leading opposition group, the Democratic Party.

The Liberal Party, which advocates precisely the kind of far-reaching economic restructuring and stimulus policies that Washington would like to see in Japan, had the support of only 1.7 percent.

There have been widespread hints that Mr. Hashimoto will become more aggressive in tackling Japan's financial problems immediately after the election, but that, too, tells something about the public mood. Instead of promising before the election to address the economic mess and mountain of bad bank loans, the speculation is that he will tackle these issues only after he no longer has to face the voters.

Ustashe Captain Returns to Croatia

Reuters

ZAGREB, Croatia — A former World War II concentration camp commander, Dinko Sakic, arrived in Zagreb on Thursday to face a war crimes trial after his extradition from Argentina.

Mr. Sakic, 76, was escorted by the police directly into a prison van from a Croatia Airlines flight and driven away immediately with an escort of seven police cars. He was handcuffed to a police officer.

A former captain who commanded the Stara Gradiska and Jasenovac camps had lived openly in Argentina for 50 years until his past was made public in a television interview in April when he talked of his time at the camps.

Mr. Sakic has protested his innocence, and his Argentine lawyer said Wednesday he was eager to return to Croatia to refute the war crimes charges.

The trial will highlight Croatia's ambiguous role in World War II — it was ruled by the Nazi-backed Ustashe, but thousands of its citizens fought in anti-fascist partisan forces. President Franjo Tudjman's desire for reconciliation between the two sides has provoked controversy in recent years.

POLICY: Pragmatism Spurs Americans to Take Worldly View of Languages and Contacts

Continued from Page 1

from a selfish point of view, get a leg up for your career, by learning a language, a culture, by your experience abroad."

For a variety of reasons, more Americans are traveling. The number of passports issued annually has risen by roughly a half-million a year in the past decade, except for a drop in 1989, amid the turmoil in Eastern Europe, and in 1991, after the Gulf War. Forty-five million passports are in circulation, meaning about 1 American in 6 holds one.

In 1986, 12 million Americans traveled abroad (not including to Mexico and Canada). By 1996, the figure had risen to 19.8 million.

Overseas phone calls have soared, more than doubling in number from 411 million in 1985 to 984 million in 1990, and then nearly tripling in the five years after that to 2.8 billion, according to the Federal Communications Commission.

The number of Americans living abroad has more than quadrupled in the last 30 years to around 3.3 million, according to State Department estimates. Groups representing Americans abroad say many go uncounted; they believe the true total is 4 million to 5 million.

In a sign of bottom-up change, the number of U.S. public and private elementary schools offering foreign lan-

guages has risen by 9 percentage points in the past decade, to 31 percent of all schools, according to a study by the Center for Applied Linguistics in Washington.

"There are dramatic increases in starting languages early, in elementary and middle schools," said C. Edward Scebold, executive director of the American Council on Teaching of Foreign Languages, in Yonkers, New York.

"This argues against any notion that we don't care about the outside world."

The growth is goal-oriented: Americans want their children to learn languages like Spanish and Japanese that will make it easier to do business — abroad or at home.

The number of secondary schools offering language instruction has held steady, around 86 percent, but is expected to be pushed up by the growth from below. The percentages of high school students studying foreign languages (51 percent in public schools; 78 percent in private schools), are the highest since the 1920s.

States like Oregon and New York have toughened language requirements, reversing a nationwide trend.

In a sea change of sentiment from days when many people said, "Let them learn our language," parents are going to principals and superintendents,

and really demanding foreign languages," said Nancy Rhodes of the Center for Applied Linguistics.

"People, even in middle America, are realizing how they can get ahead in their jobs and careers if they have the extra skill," she said. "It's globalization."

The growth is goal-oriented: Americans want their children to learn languages like Spanish and Japanese that will make it easier to do business — abroad or at home. The interest in Spanish is fueled not just by increasing busi-

ness with Latin American countries but by the rapid growth in the Spanish-speaking community across the nation. One in 10 Americans is now foreign-born, and half of them were born in Latin America.

"We can't stock enough Spanish classes," said Raymond Erickson, dean of arts and humanities at Queens College in New York.

U.S. direct investment abroad has continued to climb, rising from \$640 billion in 1994 to \$796 billion in 1996, according to the Commerce Department.

And yet, indications are that when it

comes to international news, Americans are getting less than in the past. Coverage of international developments by the American news media has been in decline for more than two decades, studies show.

The amount of time network television devotes to foreign news declined from 45 percent in the 1970s to 13.5 percent in 1995, according to a survey quoted by the Columbia Journalism Review.

A new survey by the Pew Research Center confirmed that the public appetite for both national and international news was waning, and the trend is likely to continue.

Only 33 percent of Americans aged 18-29 said they enjoyed keeping up with the news a lot, the survey found, while 68 percent of older Americans like following the news.

Zbigniew Brzezinski, former national security adviser to President Jimmy Carter, said he found the trend perplexing.

"This country is on a binge of pre-occupation with entertainment," he said. "The dominant action in this country, other than eating and working, which are necessities, is seeking entertainment."

"I'd bet you that many more Americans know about the last Seinfeld episode than about the Indian bomb or the Indonesian crisis."

كسب المال

Leisure

Portugal's Castles Guard the Past Reflections of Medieval Glory

By Michel Levitas
New York Times Service

MONSANTO, Portugal — This nation's age of glory is written on water. Its 15th- and 16th-century explorers, trained at Henry the Navigator's school at Sagres, carried the flag of the tiny kingdom across uncharted oceans to places as distant as Mozambique and Macao, Greenland, Brazil, Australia and India.

But the toll of defending a global empire proved too high. Soon, with squandered wealth spreading decadence at home, Portugal fell from the pinnacle of greatness with a crash. By 1578, when King Sebastiao and his nobles were slain in a reckless war with Morocco, the House of Aviz was near collapse. It was easy for Spain to invade and conquer its neighbor, a humiliation that still smolders, despite a war of independence won by Portugal 330 years ago.

Even now Portugal remains the most reluctant country in Europe when it comes to embracing modernization. Change is held at arm's length. "The future for the Portuguese," observe the art historians Hellmut and Alice Wohl, in their book "Portugal" (Scala Books), "is 'saudade,' the longing for a retrieval of past greatness rendered irretrievable by fear of an unknown, nonexistent punishment, and by guilt over what one has not done."

But why settle for memories of billowing sails and sunken caravels? Monumental evidence of even earlier glory remains vividly alive behind the walls of tiny hilltop villages like Monsanto, Marvão and Monsaraz, and in fortified towns like Castelo de Vide and Elvas.

Lined up like sentinels along Portugal's mountainous eastern border with Spain, medieval castles glisten in the evening fog, lighted from below by the golden hue of powerful lamps. Still standing are the crenellated walls, arched entries, slender guardhouses and massive keeps, towers, dungeons, cisterns, churches and palaces.

Six and seven hundred years after defying waves of invaders, there are dozens of castles remaining in remarkably good shape or carefully restored. Not until 1297, when the kingdom was solidly established more or less along its present boundaries, did Portugal's castles come to embody a virtually sacred role. They still do, combining religion, history and patriotism into a profound sense of national mission.

The steep, cobbled streets, houses of gray granite blocks and gigantic weathered boulders of Monsanto's castle — Mons Sanctus, it was called — is where history begins. Not for nothing did the government name it Portugal's "most typical village," as long ago as 1939. In any other country, the honor would have brought instant ruin: souvenir shops and sidewalk vendors, clamoring guides and bad restaurants.

BLESSED SOLITUDE

Yet, Monsanto has but one café, where the chief sport seems to be sipping the terrific espresso while watching tourists scrape their feeders on the narrow stone walls as they try to climb the corkscrew turns into the castle — after missing the sign (if there was one) that warns drivers to park below and walk.

Most of the 2,100 villagers live outside the walls. Inside, there are no guides, no restaurants, almost no rooms to rent and one hotel, a comfortable 10-room government-owned *pousada*, part of the extensive and luxurious national hotel chain in historic buildings.

Monsanto's castle walls, carved out of the same living quarry that shaped the town, look as if they had grown out of the ground: huge craggy rocks and weathered boulders big as a whale's back or small as a hippopotamus. From a height of 2,500 feet, the village looms over a vast plain of corn and plantations

of cork oaks and olive trees. Climbing to the summit along a twisting path bordered by mottled green lichens and ferns, we suddenly came upon a pair of pigs in a grassy enclosure curiously venturing from a round stone hut that may have housed animals since Roman times. The fiercely protective castle now suggests an image of domesticity and impenetrable grandeur.

Our next stop, Castelo de Vide, is about 135 kilometers (85 miles) away, in a loop to the south. It is just west of the Spanish border and displays a cheerful architectural harmony of whitewashed houses on narrow streets. Doorways are filled with plants and potted flowers, and the town's beautifully proportioned main square is lined with small shops and two-story buildings.

Not much remains of Castelo de Vide's 14th-century castle, except five impressive towers and the massive, rambling walls that enclose part of the town and hug the landscape. A prosperous agricultural town that once had the largest Jewish population in Portugal, Castelo de Vide seems unchanged for centuries past. Even the stone pillory post in front of the medieval town hall (virtually every Portuguese town has a carved *pelourinho* topped by protruding arms of wrought iron from which the accused was whipped and tortured, frequently as a precursor to death by hanging) does its part to preserve symbolically a sense of Portugal's strong traditional values, if not the punishment that enforces them.

NOTHING has changed here for 800 years, said Joao Miguel Goncalves Maroc, a 30-year-old pilot who trained in Dallas, now lives in Lisbon and is visiting his grandfather, an 86-year-old man sharing drinks with his friends at a small and crowded café just off the square. "On Fridays, the farmers still come to town to shop for the week and meet their friends. Weekends, it's empty." Of the young people, he says that about half remain in town and marry; the rest leave for Lisbon, as he did, or seek work elsewhere in Europe.

A few blocks away in the medieval quarter — down flights of steps from a small room that was a 13th-century synagogue — is the town fountain. With its pyramidal stone roof supported by six small marble pillars, it is said to be the oldest fountain in Portugal. The mineral waters here made it famous as a medieval spa. Has anything changed? Not that one can see. The water still splashes softly in the base of the fountain, then silently drains under the edge of a tiny plaza that slopes up like a scallop shell to a rim of ancient houses with carved stone window frames and Gothic doorways.

Marvão, just a few miles away, is a 12th-century time capsule. The castle, built into the rock, encloses an entire village of about 250 people. Perched on a craggy platform 2,700 feet above the valley floor are dazzling white houses with small iron balconies, the church of Espírito Santo, a primary school, a fascinating small museum of local lore, a gracious *pousada*, a few shops, cafés, and rooms to rent. Cobble streets wind mysteriously or end abruptly.

It is an amazing place, magical, unblemished and yet quite real, a curious outpost of history that goes back to the Iron Age. Walking through the maze of castle courtyards and towering walls, you can see a number of small, locked wooden doors. Suddenly, a door opens to our touch. There is even a light switch in the stone wall on the right. The light on, you see an enormous cistern carved from the castle rock and lighted by bulbs in the low, arched ceiling. The water is fed by runoffs carved in the stone floors of the courtyard. You can not see either end of the cistern. It is estimated to hold a six-month supply of water — long enough to survive your average serious siege.

About 75 kilometers south of Marvão (also just a hop from the Spanish border), is Elvas, a virtual museum of fort-



ification, but on a grand scale compared to Marvão. A modern, bustling small city of 18,000 people, Elvas is enclosed by some of the most elaborate battlements in Europe — moats, drawbridges, iron gates and four star-shaped bastions whose great walls rise majestically from the plains below.

Traffic zooms around the octagonal 16th-century Church of Our Lady of Consolation, past the pillory post on the edge of the well-preserved Arab quarter, and down to the main plaza, paved with white, gray and black stones in a pattern of Renaissance cubes. No city planner or private developer even imagines ripping down a block for new housing, a shopping mall or a new industrial district. The stores may have plate glass windows, but water still runs to the fountain in Largo da Misericórdia along the topmost tier of arches of an aqueduct more than six kilometers long that took more than 100 years to finish. That was in 1622.

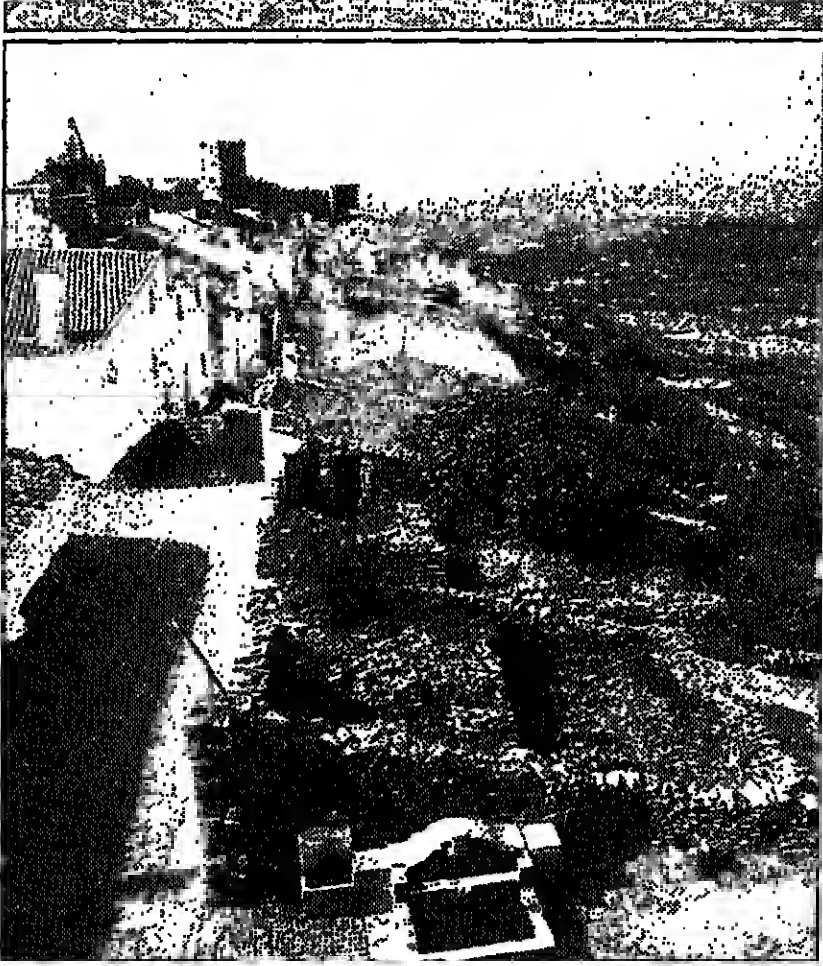
Leaving Elvas, the flat curving road suddenly ascends to the arched gate to the 13th-century castle village of Monsaraz. Along the road are fields and groves littered with some of Europe's richest neolithic finds, including a circle of 50 boulders surrounding a towering seven-ton phallic-shaped stone, tombs of huge rock slabs and a profusion of dolmens, menhirs and other megaliths put in place five and six thousand years ago.

A VAST OUTDOOR MUSEUM Only in Portugal can a vast outdoor museum of the earliest human habitation make a medieval fortress seem almost modern. Not until 1167 were the Moors of Monsaraz defeated by Geraldo the Fearless, but the castle he conquered had been a Roman stronghold, too. The amphitheater for Portuguese bullfighting was the stage for Roman dance and drama. Walking along the rows of stone seats open to the oceanic vista beyond is like having a ringside ticket to 50 centuries of history.

Within the walls of Monsaraz live about 90 people, and outside, at the foot of the walls, about 150 more. The two main streets are still paved with slivers of shale; three horizontal rows alternating with three vertical rows. You can walk around the village, a tableau of white-washed houses, orange trees, a domed church and the dilapidated House of the Inquisition, in half an hour, but that would be a mistake. The handful of small shops that sell objects of cork (statues, boxes, bottles), pottery or textiles are inviting.

The restrained proprietors, mostly women, wait behind the counters of the shops we visit, ready to help but hoping that we will discover for ourselves the appeal of a carved wooden candlestick or the intricate patterns of an embroidered shawl — all handmade in Portugal and many in the region.

Such resistance to commercialization, along with a gentle sense of ceremony and a deep feeling for the land and its traditions, have miraculously preserved Portugal's walled towns and villages — so far.



The aqueduct at Elvas, top, which is more than six kilometers long, and two views of the 13th-century hilltop village of Monsaraz.

Gods And Art In Bahia A Monument To Brazil's African Links

By Jon Pareles
New York Times Service

SALVADOR, Brazil — A century ago, the African-rooted religion of Candomblé was an unspoken secret in Bahia and its capital, Salvador.

Today, the former mystery is a matter of public pride, and now it has its own monument. Eight towering statues of orixas, the deities of Candomblé, were dedicated in April in the Dique do Tororo, a lake in the center of central Salvador.

The statues, by the sculptor Tatti Moreno, are more than 22 feet (6.5 meters) tall and weigh 2 tons each. By night, they are illuminated and appear to float above the water in a circle as if they are dancing around a lighted fountain.

They are monuments to Brazil's African heritage, which remains strongest in the state of Bahia.

Candomblé is the Brazilian relative of voodoo in Haiti and santería in the Spanish-speaking Caribbean. The tradition is a New World resurgence of a Yoruba religion that arrived with African slaves.

When Salvador, with its superb natural harbor, was Brazil's capital and major trading center under the Portuguese empire, Brazil was the largest importer of slaves to the Americas. Descendants of those slaves make Bahia the state with Brazil's highest percentage of African-Brazilians.

POWER OF ORIXAS The orixas of Candomblé are worshiped as powerful, chthonic beings, each with its own constellation of attributes. They are associated with natural phenomena, with colors, with occupations and with days of the week.

In Candomblé ceremonies, drumming and chanting help carry believers into a trance where they are taken over by the spirit of an orixa. The rhythms and the tradition of drumming have filtered into Brazilian popular music.

Colonial overseers tried to stamp out Candomblé, which survived, in part, by continuing to worship the African deities in the guise of Christian saints. The Virgin Mary, for instance, is equated with Iemanjá, the goddess of the sea, who also wears white; the aged Omoju is matched to Lazarus.

UBIQUITOUS CEREMONIES

Earlier this century, the police still raided Candomblé ceremonies, and until 1976, Candomblé celebrants were required to obtain permits from the police vice squad. Yet today, Salvador is estimated to have at least twice as many Candomblé houses as it does churches, and it has churches everywhere. In a country that is 90 percent Roman Catholic, many of the faithful attend both Candomblé ceremonies and Catholic Mass.

Candomblé believers long ago designated the Dique do Tororo a sacred site for Oxum, the goddess who rules lakes.

On a secular level, the lake has lately been reclaimed by the city from years of pollution and neglect. The orixa statues are part of a rehabilitation that includes new plantings and playgrounds around the lake's perimeter.

From the shore, the orixas look like women in long wigwam-sized skirts; actually, they are male and female deities wearing African robes. It's worth taking along binoculars to see them more clearly.

Made of fiberglass resin over conical iron frames, with elaborately textured robes and crowns painted in their traditional colors, the orixas carry the symbols of their godhood.

Xango, the deity of fire, thunder and drums, holds a two-bladed axe, and Ogum, the patron of people who work with their hands, carries a carpenter's saw, hammer and drill. The orixas' faces are black, brown and tan, and their features are African, Indian and European, reflecting the mixture of worshippers that Moreno sees at Candomblé services.

AS a combination of public and religious art, the orixas involved a certain amount of diplomacy. There was a brief controversy when a Protestant evangelical church, which had planned to acquire a building on the lake shore, objected to the prospect of having African deities on its doorstep. Eventually, the church decided to move.

Now, eight orixas command the lake: four remaining deities in the pantheon, whose attributes prevent them from living on the water, have been built to stand in other sites around Salvador, still to be chosen.

For the exact arrangement of the orixas in the lake, Moreno consulted the many Candomblé houses nearby, and knowing the lore of the orixas, he was cautious.

"Some of them simply shouldn't be next to each other," he said. "If they are, they will fight."

A Cerebral Summertime Aspen Is Drawing Them In

By James Brooke
New York Times Service

ASPEN, Colorado — Coloradans sometimes feel they need a visa to visit Aspen. But behind the intimidating buzz of celebrities and high prices, Aspen is a magical town where the beauty of the Elk Mountains combines with an ever more stimulating cultural life.

Long known for winter sports, Aspen now reports its highest hotel occupancy in August. Highlighting its increasingly cerebral image, a survey by the Aspen Chamber Resort Association of half last summer's visitors found that half came for cultural events and only one-fifth for outdoor recreation. It also found that the average household income of visitors was \$31,000. But with almost two hotel beds (9,200) for each of its 5,600 residents, it is possible to manage a stay on a moderate budget.

A key to enjoying this eminently walkable town is to leave your car behind. Parking is rare and expensive. Visitors who arrive by air can take a van to town — free from the airport, or \$81 from Denver's airport, four hours away. Visitors arriving by car can park free at the Aspeto airport and take the

15-minute bus ride into town.

The largest cultural draw of the summer is the Aspen Music Festival, which draws as many as 1,700 people to concerts under a blue-and-white tent set up across from Harris Concert Hall, with seating inside and free, on the lawn. The festival began this week with the Starling Chamber Orchestra performing Britten and Puccini, and finishes Aug. 16 with a Prokofiev performance. Tickets are \$8 to \$50. Information: (970) 925-3254. Tickets: (970) 925-9042.

In July and early August, the students of the festival's school also perform at the Wheeler Opera House, a beautifully restored 1889 building. This season's offerings are Verdi's "Falstaff" (July 9, 11, 13 and 15), Mark-Anthony Turnage's "Greek" (July 23 and 25) and Carlisle Floyd's "Susannah" (Aug. 4, 5, 7 and 8). Tickets, \$17 (for "Greek"), \$24 and \$48; (970) 925-9042.

The mountains here are accessible to all — on an easygoing gondola ride to the 11,212-foot-high summit of Aspen Mountain, a moderately challenging bicycle ride down a secluded path or a crashing raft ride down the Roaring Fork River. On busy summer week-

ends, the Silver Queen Gondola carries 2,000 people a day to the summit. It runs daily 10 A.M. to 4 P.M. At the top, there are free, 45-minute guided nature walks daily, on the hour from 11 A.M. to 3 P.M., June 15 to Sept. 7. Gondola prices range from free for children 6 and under to \$18 for adults on weekends. For information, call (800) 525-6200.

HITTING THE RAPIDS Rafting is a fast-growing recreation sport. Among the companies in the area are Inland Drifters, (970) 963-7438, which charges \$45 a person a half day or \$75 for a full day, and runs class 1 through class 4 rapids (6 is the most difficult), and Blazing Adventures, (800) 282-7238, which charges \$65 to \$78 for class 1 through 5.

Children might enjoy exploring Ashcroft, a semirestored ghost town on Castle Creek Road, 30 minutes from downtown. The Aspen Historical Society gives free tours at 11 A.M., 1 and 3 P.M. every day but Monday. On rainy days, tours of Aspen's two silver mines, Smuggler and Compromise, offer instructive insights into the city's origins (but children must be 5 or older). At Smuggler, admission is \$20,

\$15 ages 5 to 12. The Compromise tour, offered only on Saturday after July 11, involves a Jeep ride to the mine, then a rail ride into Aspen mountain. Fee: \$30 and \$20. Reservations required: (970) 925-2049.

Among Aspen's several luxury hotels, two Victorian red-brick standouts are on Main Street, the Jerome at 330 East Main, and the Sardy House at 128 East Main. Built in 1889, at the height of the silver boom, the Jerome boasted the first elevator west of the Mississippi. Painstakingly restored a decade ago, this central Aspen landmark is one of 16 city buildings listed on the National Register of Historic Places. For a night in one of its 93 hotel rooms, the Jerome's nightly charges vary in the summer from \$295 to as much as \$1,190, for a suite; (800) 331-7213, fax (970) 925-2784.

Sardy House is two blocks down Main Street, half-hidden by towering pines. This quiet Victorian gem of 20 well-appointed rooms has a small heated swimming pool in the garden. Summer room rates, including breakfast, vary from \$180 to \$440; (970) 920-2525.

For a resortlike setting in town, the Aspen Institute has 98 guest rooms and

suites on its 40-acre riverfront campus on the west end of town. Guests can use the institute's six tennis courts, gymnasium and outdoor lap pool, and have golf privileges at the Snowmass Lodge and Club. Summer room rates are \$195 to \$395; (970) 925-4240.

The city's nearly 100 restaurants have spruced up their summer menus and honed their service in anticipation of the Food and Wine Magazine Classic, taking place this weekend. Among them is Pinons, 105 South Mill Street, where entrees include sautéed Colorado pheasant breast and elk tenderloin. Dinner for two, with wine, is about \$120; (970) 920-2021.

A midpriced standout is Campo di Fiori, 205 South Mill Street, an earthy grotto with well-prepared Northern Italian dishes, a strong Italian wine list and rapid-fire service. Open for dinner daily. Dinner for two with wine costs about \$80; (970) 920-7717.

After serving surprisingly good cabaret food, the waiters and waitresses at the Crystal Palace, 300 East Hyman Avenue, transform themselves into a hilarious satirical revue. Dinner and one-hour show are offered Thursday through Saturday for \$49.50 a person. For reservations, call (970) 925-1455.

THE CAR COLUMN

Volvo Rebels With C70 Coupé

By Gavin Green

JUST when we had begun to wonder whether Volvo really had gone mad, along came the C70 coupé to confirm it.

Those sensible Swedes, exemplars at building reassuring sedans and wagons for the world's most timid drivers — the nearest things to motorized womb — had launched a hurtfully potent 250 kph two-door fier. Hang the safe and sensible stuff!

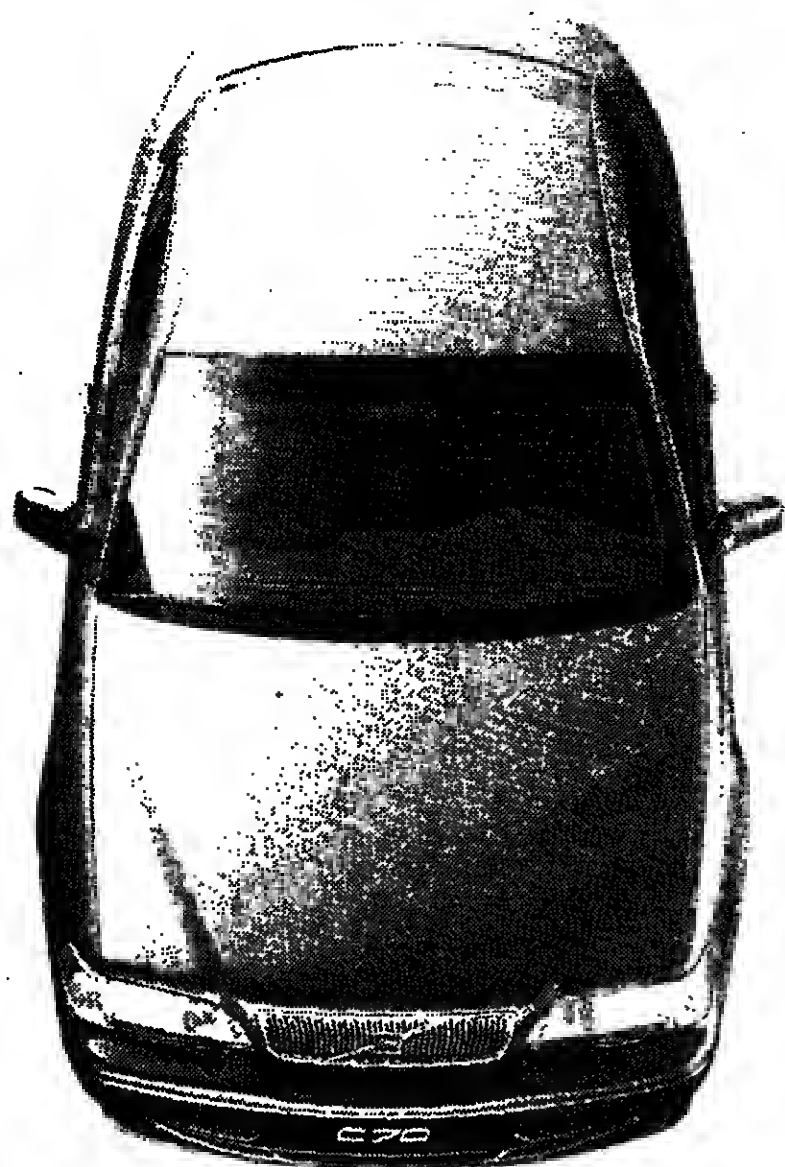
There had been signs of rebellion before, of course. Perhaps the most obvious was the decision to race a station wagon Volvo in Europe's most competitive touring car series — the British Touring Car Championship. And then came a stream of high-speed turbocharged models, all based on the normal, wholesome Volvo sedans. Volvo just wasn't supposed to be doing that sort of thing.

But it did, and it plans to keep on rebelling. The C70, a handsome, high-speed antidote to much of what Volvo has represented for 20 years, is the most obvious expression of Volvo's desire to ditch the sensible-shoes image and break into the more fashionable, image-conscious world dominated by BMW, Mercedes and, more recently, Audi.

Most makers actually build safe, moderately sensible cars nowadays, reasoned Volvo's New Guard. But they don't look like shrunken motor-homes. Style sells. Keep making them safe, but make them sexy too. And really to drive home the sex appeal hit, let's launch some "image enhancers" (as the marketing folk put it) to win publicity. That's where the C70 fits in.

The new 2.5T version looks as good as its wild brother, the T5 — which continues in production — but has learned some manners. Power is reduced and, when it comes in, it does so with a gentle firmness rather than an unruly shove. There are now various intensities of power, as you work the accelerator, rather than just an on-off switch. The ride quality has been improved, too. The suspension is softer, which makes for slightly less grip on a racing circuit, but allows for much more suppleness when traversing the broken roads of our overused streets.

The dashboard and door sculpture are the same as the S70 sedan and V70 wagon models, whose floor pan and



basic suspension the C70 also shares, although there are generous portions of leather and wood to justify the luxury car price tag. It is a restful, classy place to spend time, even for the backseaters, for the C70 is unusual for a coupé in being a genuine four-seater.

TURBO DIFFERENCE

The engines are also based on normal S70/V70 wares, in this case the top-range five-cylinder engine. The major difference is the turbocharging, to boost performance. It is a gutsy engine, with the added distinction of having an unusual, gurgling growl, thanks to the strange five-cylinder configuration.

In some ways, though, it is very much mainstream Volvo. The Swedes certainly aren't throwing away their renowned prowess in safety, and the C70 features all sorts of protective armor, ranging from large

crumple zones, seat belt pretensioners, front driver's airbag, side impact protection beams and side airbags. It is very likely the safest sports car ever made, although the omission — in most European markets — of a passenger airbag as standard is as surprising as it is disappointing.

Build quality is also superb, better than any other Volvo of my experience and absolutely up to top German (meaning Mercedes) levels.

This latest variant of the C70 is as much about luxury as speed, as much about refined cruising as blurring at high speed across Europe. Its genuine four-seat accommodation gives it further credibility as a sensible choice for sober people, as does its superb 10-speaker stereo, one of the very best fitted to cars.

There is clearly a method in Volvo's madness. There are those in the car industry — among them the boss of

Volkswagen, Ferdinand Piech — who reckon that Volvo's jump into the sports sector is daft, spiking all the carefully crafted "safety first" image the company has nurtured for so long. But the Swedes are not renowned for their irrationality. They point out, with some justification, that they still offer sensible-shoes models. The difference is that, instead of offering only cars that assuage fears, they now have some that incite passion.

Volvo C70 2.5T. About \$50,000. Two-door, four-seat coupé. Five-cylinder, 20-valve turbocharged engine: 2435cc, 193hp at 5,100 rpm. Five-speed manual transmission. Top speed: 230 kph (144 mph). Acceleration: 0-100 kph in 7.3 seconds. Average fuel consumption: 10.7 liters/100 km.

Next: the Fiat Seicento
Gavin Green is editor in chief of Car magazine.

THE FREQUENT TRAVELER

Staying at Home on the Road

By Roger Collis
International Herald Tribune

WHAT makes an ideal hotel stay? It depends on the purpose of your trip. Are you buying or selling? Are you on your own for two nights with wall-to-wall appointments or traveling with colleagues? Are you hoping to combine business with pleasure? Do you need high-tech business facilities, a health club or suite for a power breakfast? Do you want a home away from home or, to paraphrase Le Corbusier, simply a machine for staying in? Deciding where to stay is a complex equation of cost, convenience and comfort. But next time you need a hotel — especially for two or three nights or more — consider the apartment alternative: a studio or one-bedroom apartment in a custom-built property with twice the space for up to half the price of a standard double room in a hotel of the same quality. The trade-off: Don't expect a fancy lobby, restaurants, concierge, a host of bellhops, around-the-clock room service and other trappings of a traditional hotel, which you always pay for but may seldom use.

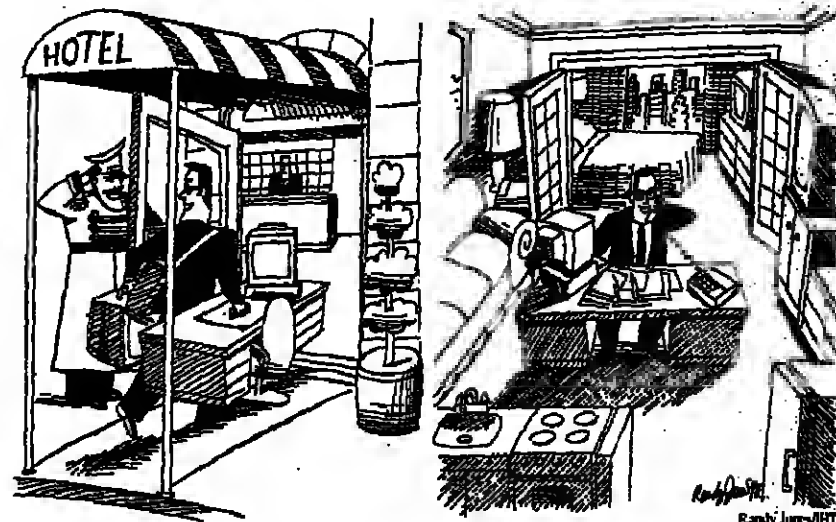
Apartments are a fast-growing sector of the lodging industry, says Charles McCrow, managing director of The Apartment Service, a marketing and reservations company, in London. "But there's a lot of confusion," he says. "We call the category serviced apartments, 'apart-hotels,' or apartment suites; in the United States, where the concept began, they're called all-suite hotels or extended-stay hotels. But their idea is not our idea because 90 percent have kitchens, whereas the Conrad Chelsea Harbour in London is an all-suite hotel but doesn't have cooking facilities. In the States they reckon that the all-suite market will grow to about 30 percent of hotel space: It's good value for travelers and more profitable for operators."

"But travelers should be wary about hotels with apartments attached, which quite often charge the same prices as regular suites, because they're going to be paying for the hotel services as well. Serviced apartments should be less expensive than a hotel room, not twice the price."

RANGE OF APARTMENTS

Apartments range from studios — one room serving as bedroom and lounge, typically with a sofa-bed — to one-to-three-bedroom apartments with a separate lounge and en suite bathrooms, equipped with direct line phone and fax and cable and satellite TV. The kitchen will normally contain a cooker, microwave, refrigerator and freezer and perhaps a dishwasher, so that you can bring in your own food and drink. Maid service is usually once a week; you pay extra for daily cleaning. Most apartments have 24-hour reception.

Extended-stay hotels are enjoying a boom in the United States, with about 20 brands in the sector. Hotels magazine



says that as many as 25 percent of guests staying in conventional hotels would be willing to stay in an extended-stay hotel if they could find one. Extended Stay America, with more than 200 properties, is a lower-priced, fewer-frills alternative to Residence by Marriott, which pioneered the sector in the early 1990s. Homestead Village plans to build 40 to 50 properties a year for the next three years. And Village Lodge, a budget brand with weekly rates from \$175 to \$225, aims to have 150 Village properties nationwide by the end of 1998.

Staybridge Suites by Holiday Inn, which plans to open its first extended-stay hotel in Georgia, in the fall, expects to have 250 properties worldwide by 2003, with around 50 in Europe, the Middle East and Africa.

"We're looking at five main types of guest: executives relocating, who need somewhere to stay for a couple of months while they sort out a house; consultants and auditors; people on training courses and company assignments; families on holiday and very frequent business travelers who are tired of normal hotel offerings and independent business travelers who are well-traveled and don't want the pampering," said Martin Quinn, director of Staybridge Suites by Holiday Inn for Europe, the Middle East and Africa, in Brussels. "We're a kind of hybrid between a hotel and an apartment."

Staybridge Suites will offer studios and one- and two-bedroom/two-bath suites. Prices will depend on how long you stay. Quinn expects the first European property to open in Brussels in April or May 1999.

The two major apartment chains in Europe are French companies, Orioo (18 three-star properties in Paris, London, Lisbon, Brussels, Geneva, Lyon, Nice) and Citadines Aparthotels (34 three- and four-star properties in France, Barcelona, Brussels, Geneva and London), both recently acquired by Westmont Hospitality, a hotel management and real estate group in Houston.

"We're a mid-market product, like Novotel or Holiday Inn, and very flexible — you can stay for one night or one month. We're roughly the same price but with twice the space as a twin hotel

room," said Jan Dijkstra, development manager for Westmont in London. "The atmosphere is a lot looser than a hotel. You have 24-hour reception, you can have breakfast, but you don't have to, we can get your groceries if you want, but you can get your own, and there are selected restaurants which will deliver meals."

You also have your own phone line with voice-mail, fax and other services, like a conference room. Prices range from 480 French francs (\$80) a night for a studio at Paris Maine Montparnasse (432 francs a night for seven days) to 955 francs a night at the Citadines property on Gloucester Road, London.

THE best sources for serviced apartments are tourist authorities and travel agents. But a useful guide is the Worldwide Guide to Serviced Apartments 1998, published by Apartment Service; tel: (44-181) 944-1444.

Here you will find listed apartments such as a studio for two at Apartamentos GranVia 65 in Madrid, near the Royal Palace, for 16,000 to 20,000 pesetas (\$105 to \$131) a night and 91,000 to 105,000 pesetas a week, with microwave, satellite TV and daily maid; or Art Hotels Hamamatsucho in the heart of Tokyo with 120 studios from 14,800 yen (\$102) a night, with breakfast.

The Shangri-La Singapore offers 127 one- to three-bedroom serviced apartments within the hotel complex. You have the run of the hotel facilities (including the health club and business center) plus a fully-equipped kitchen, daily maid service, food and beverage delivery. The minimum stay is one month, but shorter stays are negotiable. The monthly rate for a "deluxe" one-bedroom apartment of 7,500 Singapore dollars (\$4,300) compares with 10,900 dollars for the cheapest "deluxe" single room and 42,000 dollars for a one-bedroom suite for the same period.

There are more than 30 blocks of serviced apartments in Singapore, including Orchard Park Suites, The Ascott, Le Grove, Darby Park, Great World, Fraser Place, Park Avenue Suites and Palm Court. Singapore's supply of serviced apartments is expected to double in the next two and half years, Richard Ellis property consultant firm said.

CROSSWORD

ACROSS

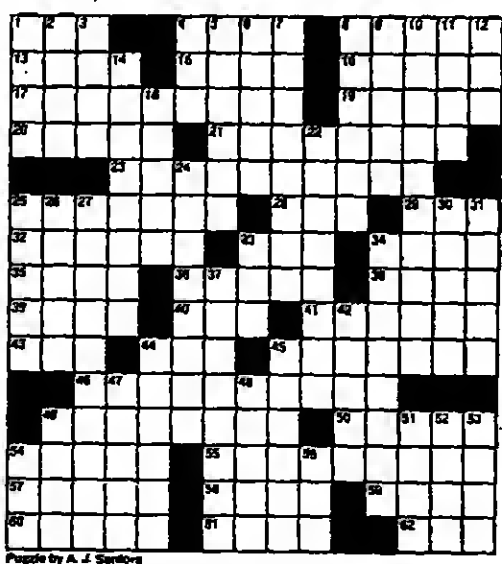
- 1 Victoria's Secret offering
- 4 Lofly verse
- 8 Mexican pilgrim
- 12 Staff break?
- 15 Dail aide
- 16 Glaciate
- 17 Accepting bribes
- 19 Star bursts
- 20 Sallinger title character
- 21 Double
- 23 Successful
- 25 Words after "under" or "down to"

DOWN

- 2 Barney on "The Simpsons," for one
- 3 Magazine; Abbr.
- 6 Having more heartiest
- 9 Ben
- 11 speak
- 13 Annual contribution
- 14 siles, for short
- 16 Bunting
- 18 In a bit
- 20 County on the Strait of Dover
- 22 Cowboy sobriquet
- 24 W.W. II battle
- 26 stoll

ACROSS

- 10 Used in worship
- 11 San
- 12 Velocity mess
- 14 Checker moves
- 16 High neck: Var.
- 18 Avoids pools weight unit
- 24 Bug
- 25 Early mode of transportation
- 26 Personnel person
- 27 Scents, e.g.
- 28 Little Eve's creator
- 31 Salvager's system
- 33 Whimpy
- 34 Like a wisecrack
- 37 It's relatively helpful
- 38 Worry
- 44 Irish hooch
- 46 Sides
- 47 Kind of heel
- 48 Flowed to and fro
- 49 Case of Good Hope discoverer
- 51 Pauley Pavilion team
- 52 Imitation
- 53 Make tracks
- 54 Repping Dr.
- 55 "... we fear — evil" Burns



Puzzle by A. J. Sattler

Solution to Puzzle of June 18

ABINO NUMB ISEE
GONER EZIO OMAN
EXHAUSTING DUST
ELIOT GLIDER
FOR DYNASTY
OPEN ESE GESE
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AMOT PETULA
ACTOR NINE ECOM
DEVIL INVERSE KEY
LAREDO JETCHY
INAN BASSALEMAN
SINGS EXIT ARABY
STATE LENA TENISE

DOWN

- 1 Tho's real name
- 2 Western city named for a Civil War general
- 3 Memo start
- 4 Contractor's fig.
- 5 Film about teeth
- 6 Plumber's filler
- 7 Clears, in a way
- 8 Imply

RECORDINGS

From North African to Blues

• **LEE KONITZ** "Motoo" (Verve, 3 CDs): A reissue from 1961: Hall of Fame level. Floating, flourishing swing projected across the bar lines, always flirting with (mostly familiar) melodies. Konitz is one of the few major alto saxophonists of his generation (he's 71 years old) who does not sound like Charlie Parker. Here there are neither other soloists nor chords to clutter up his franchise sound. Features Sonny Dallas on bass and Nick Stabulas or Elvin Jones on drums.

• **ANOUAR BRAHEM** "Thumar" (ECM): A Tunisian oud player is joined by two sensitive English virtuosos — John Surman on reeds and Dave Holland on bass — to play thoughtfully spiced North African flavored lines. Chamber music like you have, literally, never heard before. It might be called "Morning in Tunisia."

• **CHARLES BROWN** "So Goes Love" (Verve/Gitanes Jazz): Sound paintings in blue, vocal and instrumental textures blend into dependably focused landscapes. No shouters, Brown's crafted blues preserve the human dimension of what has become an increasingly hysterical, cliché-ridden and/or popped-up form. Features the former Tom Waits tenorman Teddy Edwards.

• **JOHN MCLAUGHLIN** "My Goal's Beyond" (Douglas): This reissue of a seminal session — called a forerunner of world music — from 1971 includes flute, violin, sitar, guitar and tabla. Low-decibel, unamplified, percussion-fed collective improvisations: a spiritual mix of Western and Indian music closer to Ravi Shankar than Miles Davis or Jimi Hendrix.



Mike Zwerin/IHT Charles Brown has released "So Goes Love."

Worldwise coverage

via the World's Daily Newspaper

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150 من الامارات

ARTS GUIDE

MOVIE GUIDE

BELOIUM

Antwerp
Koninklijk Museum voor
Schone Kunsten, tel: (3) 238-
7809, closed Mondays. Continuing
to July 26: "Pieter Bruegel le
Jeune et Jan Bruegel l'Ancien:
Une Famille de Peintres Flamands
vers 1600." Works by the sons of
Pieter Bruegel the Elder.

BRITAIN

Edinburgh
Scottish National Gallery of
Modern Art, tel: (131) 332-2266,
open daily. To July 12: "Robert
Capa: Photographs." A wide range
of the American photographer's
work that includes his records of
the Allied landings on D-day and
the siege of Madrid.

London
Royal Armouries, H M Tower of
London, tel: (171) 480-6358, open
daily. To Sept. 13: "Treasures from
the Moscow Kremlin: Arsenal of
the Russian Tsars." Examples of
craftsmanship of the Kremlin Ar-
moury between 1600 and 1800.
Also includes objects from the
courts of Peter the Great and Cath-
erine the Great, including 17th-
century English silver.
Tate Gallery, tel: (171) 887-8000,
open daily. To July 12: "Warhol
& Beyond: Prints." Works by
Andy Warhol and other artists
rethought the relationship between
the artist and society.
www.tate.org.uk

CHINA

Beijing
Xu Beihong Museum, tel: (10) 66-
01-11-22, open daily. Paintings,
sculptures, sketches and memo-
rials of the famous artist (1895-
1958) are displayed. Xu, who stud-
ied in Paris and Berlin in the early
1920s, reached fame with realistic
depictions of horses.

DENMARK

Humblybæk
Louisiana Museum of Modern
Art, tel: 49-19-07-19, open daily.
To Aug. 30: "Louisiana at 40: The
Collection Today." Works from the
collection that started with Danish
Modernism and has expanded to
include post-World War II art.
www.louisiana.dk

FRANCE

Lyon
Musée des Beaux-Arts, tel: 03-
80-74-52-70, closed Tuesdays. To
Sept. 28: "A la Gloire du Roi: Van
Der Meulen, Peintre des Car-
quêtes de Louis XIV." The Flemish
painter (1632-1690) was brought
to France to become court painter.
Paintings, drawings and tapestries
of panoramas, animals and war
scenes are in the exhibition.

Paris
Fondation Dina Vierny - Musée
Maillol, tel: 01-49-29-12-25,
closed Tuesdays and holidays. To
Sept. 30: "Diego Rivera - Frida
Kahlo: Regards Croisés." Works
by the Mexican muralist (1886-
1957) and his wife (1910-1954)
who co-edited her own self-
publishing body.
Grand Palais, tel: 01-44-13-17-
17, closed Tuesdays. Continuing/
To July 20: "Delacroix: Les Derni-
ères Années, 1850-1863." More
than 100 paintings and drawings
created by the French painter
(1798-1863) during his last years.

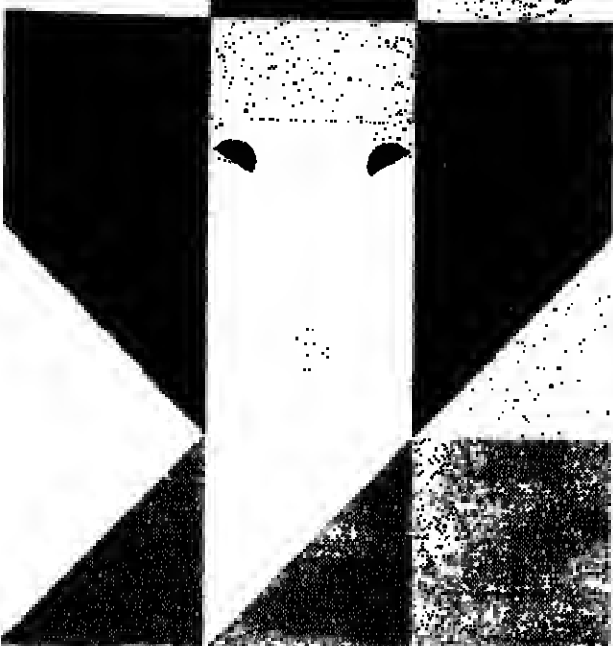
GERMANY

Berlin
Nationalgalerie, tel: (30) 26-66,
closed Mondays. To Aug. 10:
"Arnold Böcklin, Giorgio de
Chirico, Max Ernst: Eine Reise ins
Unbewusste." The three artists
span 120 years of painting and
form a link from Romanticism and
Symbolism to Surrealism. More
than 200 works depict the artists'
inner worlds, the field of uncon-
scious and archetypes.

Weil-am-Rhein
Vitra Design Museum, tel: (7621)
702-3200, closed Mondays.

Nihon Buyo

UCLA
Asian Performing Arts
Institute 1998
Los Angeles
Washington, DC
New York



An Ikko Tanaka poster at the Suntory Museum, Osaka.

Oct. 11: "Frank Lloyd Wright: Die
Lebendige Stadt." Drawings, pho-
tographs, architectural models, as
well as furniture and objects docu-
ment the work of the American ar-
chitect and designer (1897-
1959). The exhibition will travel to
Amsterdam, Glasgow and other
German towns.
www.vitra.com

HONG KONG

Hong Kong Museum of Art, tel:
(1) 702-1116, closed Sundays. To
July 19: "Roy Lichtenstein: Land-
scape in Chinese Style." Works by
the American Pop artist (1923-
1997) that reflect the influence of
landscape painting during the
Song dynasty (960-1279).

ISRAEL

Jerusalem
Israel Museum, tel: (2) 6470-
8811, open daily. Continuing/ To
Sept. 1: "In the Light of the Men-
orah." Looks at how the menorah,
or seven-branched candelabrum, was
transformed from a sacred ritual
object to a symbol of destruction
and redemption.
www.im.org.il

ITALY

Bergamo
Accademia Carrara, tel: (35) 39-
96-40, continuing/ To June 28:
"Lorenzo Lotto." A retrospective of
the works of the Venetian Renais-
sance master (c. 1480-1556).

Bologna
Pinacoteca Nazionale, Sala
della Belle Arti, tel: (51) 24-32-22,
closed Mondays. To July 5: "La
Scoperta del Barocco Italiano." Brings
together 17th and 18th-century
Italian paintings collected by
Sir Denis Mahon, the British art
historian. At the core of the ex-
hibition are paintings by Guercino,
Guido Reni and Luca Giordano.

Venice
Peggy Guggenheim Collection,
tel: (41) 520-6288, closed Tues-
days. Continuing/ To Sept. 13:
"The Last Moments." Still Lifes
1950-1964." Works by the Bo-
lognese painter during his last
years that reveal his obsessive re-
petition of the same subject matter,
with variations only in tone, com-
position and viewpoints.

JAPAN

Osaka
Suntory Museum, tel: (6) 577-
0000, open daily. To June 28: "Jap-

anese Digital and Graphic Art." Japanese posters created since the
1960s, including works designed for
the opening of the Japanese
Culture Center in Paris in 1997.

Tokyo
Hara Museum of Contemporary
Art, tel: (3) 3445-0651, closed
Mondays. To June 28: "Gerardo
Suler: Photography and Installa-
tions From Mexico." Japan's first
introduction to the creativity of the
Argentine-born artist, who now
lives in Mexico. Since 1994, Suler
has been introducing three-dimen-
sional elements into his works. The
exhibition features video installa-
tions and photographs.
www.haramuseum.or.jp

Suntory Museum of Art, tel:
(3) 3470-1072, closed Mondays. To
June 21: "Highlights of Asian
Painting From the Cleveland Mu-
seum of Art." More than 100 items
from the American museum's col-
lection of Chinese, Japanese, In-
dian and Korean art.

SINGAPORE

Singapore Art Museum, tel: 332-
3222, closed Mondays. To Sept.
13: "The Origins of Modern Art in
France, 1880-1939." With more
than 70 paintings and sculptures
by French Impressionists and
Post-Impressionists, the exhibit
stages the evolution from figurative
art to abstract art, between
1880 and 1939. Also included are
works by Fauvist and Surrealist
artists.

SWITZERLAND

Geneva
Musée d'Art et d'Histoire, tel:
(22) 418-2600, closed Mondays.
To Sept. 13: "Corps a Vif: Art et
Anatomie." The human body has
been a constant preoccupation of
artists. The exhibition traces the
relationship between anatomy and
art in paintings, drawings and
sculptures by Leonardo, Michelan-
gelo, Dürer, Gerhardt and con-
temporary artists.

TAIWAN

Taipei
National Palace, tel: (2) 2881-
2021, open daily. To end of June:
"A Collection of Calligraphy and
Paintings." Documents the evolu-
tion of Chinese painting and its
relationship with calligraphy, from
the early works on ceramic ves-
sels, to the landscapes of the Song
dynasty and the literati painting of
the late Ming and early Ching dy-
nasties.

UNITED STATES

New York
Guggenheim Museum, tel: (212)
423-3500, closed Thursdays. To
Sept. 7: "Wilhelm Hammarsho,
1864-1916: Danish Painter of
Solitude and Light." Hammarsho,
the painter of landscapes and
empty interiors, painted in a real-
istic style, with a limited palette of
muted colors, predominantly on a
gray scale.
www.guggenheim.org

Pittsburgh
Andy Warhol Museum, tel: (412)
237-8300, closed Mondays and
Tuesdays. To Sept. 20: "Salvador
Dali." One sculpture and more
than 20 paintings by the Surrealist
artist (1904-1989), whose works
often depict lurid psychological
states and dreams.

Washington
National Gallery of Art, tel: (202)
737-4215, open daily. Continuing/
To July 12: "Alexander Calder,
1898-1978." More than 260 con-
structions, mobiles, stables, con-
stellations and towers that range in
size from miniature to monumental,
as well as related paintings,
works on paper and jewelry.

EUROPEAN TOUR

The Garshwins "Porgy & Bess"
under William Baskin's baton
starts its European tour: Rome
(Teatro dell'Opera di Roma, box
office tel: (6) 48-160-218, June 19,
20, 21); Cologne (Opernhaus, tel:
(221) 22184-00, June 26 to July
12); Leipzig (Opernhaus, tel: (341)
128-1281, July 14-19) and Bremen
(Bremer Theater, tel: (421) 365-
33-33, July 21 to Aug. 9).

CLOSING SOON

June 21: "Turner and the Scenar-
ies: An Artist Two Cultures."
Tate Gallery, London.
June 21: "Miquel Barcelo, 1957-
1997." Museu d'Art Contemporà-
ni, Barcelona.
June 21: "Lawrence Hult: Europe
1889 and 1997." Egg Gallery,
Tokyo.
June 21: "Natura! Natura! Hara
Museum, Tokyo.
June 22: "Henri Camuschi, 1821-
1896: Voyageur et Collectionneur."
Musée Camuschi, Paris.

THE LAST DAYS
OF DISCO

Directed by Whit Stillman.

In "The Last Days of Disco,"
a funny but frustrating new
film by Whit Stillman ("Met-
ropolitan," "Barcelona"), there is
one very obvious clue that his
ceaseless characters are not
real people but evil, shape-
shifting aliens masquerading
as human beings. "I love this
place," says Josh (Matt Keesler),
a young assistant district attor-
ney standing in a sweaty swirl of
hormone- and cocaine-ravaged
humanity in the Studio 54-
like nightclub that is the film's
main setting. "Cocktails, dancing,
conversation... the exchange of
ideas." Huh? Only within the arch,
heightened reality of a Whit
Stillman universe could some-
body actually get away with say-
ing something so patently ridicu-
lous and still sound remotely
believable. Only within the
internally consistent illogic of that
precious world can you listen to a
coterie of affluent, white scions of
privilege deconstructing the polit-
co-sexual semiotics of Disney's
"The Lady and the Tramp" over
vodka tonics, while some heinous
and wonderful disco plays in the
background. Take it or leave it (and
it's certainly not everyone's cup of
tea), but it's what we've come to
expect from the talky, almost-
too-smart-for-his-own-good
Stillman. With the detached curi-
osity of a corner, "The Last Days
of Disco" anatomizes Stillman's
favorite indigenous people, the
Manhattan yuppie, this time set
during the twilight of disco music
and its attendant night life. Alice
(Chloe Sevigny) and Charlotte
(Kate Beckinsale) are recent
Hampshire College graduates in
the Big Apple, sharing a railroad
apartment while trying to find love
in the discotheques of New York. In
the real world, people like this are
tiresome, but in the fictional
virtue of Stillman's muse-
um, they are rather entertaining.
When all is said and done, eaves-
dropping on the glib conversations
of witty urbanites can be a
pleasant diversion, but after so much



Beckinsale, left, and Sevigny in "Last Days of Disco."

volubility, you might find yourself
wishing that they would all just
shut up and dance.
(Michael O'Sullivan, WP)

AFTERLIFE

Directed by Hirokazu Koreida, Japan.

The director of the multi-prizewin-
ning "Maboroshi" has created another
serious, moving and beautifully
crafted film — and again the subject
is death. Limbo is an abandoned
school and in it the staff prepares
the dead for the next step. It is
difficult work. The dead must be
convinced that they are, and must
then be asked to choose a single
memory to take with them in pass-
ing from this life to the beyond.
They are confused, disoriented,
and the afterlife is made no easier
by the rules and regulations observed
in any official Japanese endeavor.
Once the dead have chosen (a mo-
ment of park-bench love, a solo
flight — one girl chooses Disney-
land's Splash Mountain), these
moments are reconstructed by the
staff and filmed to be taken as the
last (and only) memory into the here-
after. But, as Emily found out in
the last act of "Our Town," there
is a catch to remembering. These
consequences are surprisingly and
satisfyingly worked out in this slow,
grave, lovely film, the experience of
which is intensified by the integrity of
its large cast: actors and amateurs,
all of them making up their own
dialogue and consequently "acting"
not often seen in commercial film.
And finally, at the end, like a lotus
opening, the

film slowly reveals its solid
premise. It is not Wilder/
Capra; it is Buddhist liturgy.
(Donald Richie, IHT)

LAWN DOGS

Directed by John Duigan.

"Lawn Dogs" is about the
unlikely alliance between a
smart little girl and a charm-
ingly insouciant, gam-
ing United by loathing for
the squeaky-clean suburb where
Devon (Mische Barton) lives
and Trent (Sam Rockwell)
mows lawns, these two are
drawn together by loneliness
and a shared spirit of mischief.

While John Duigan's pointedly
whimsical film overworks the
fairytale aspect of this friend-
ship, it also shows off a
poised young actress and a
leading man with charisma to
burn. Rockwell's robust good
looks and wryly engaging man-
ner will put him on the map.
His performance here shares a
shade or two with one he gave
in Tom DiCillo's overlooked
"Box of Moonlight." In both
these films, Rockwell plays an
outsider who lives the hermit's
life with brio and bravado on
camera in the buff. Early in
this film, a disgusted Trent
parks his car in the middle of
a bridge, peels off his clothes,
dives into a river and struts
back to the car, which has been
holding up traffic. This is
just his way of editorializing on
middle-class propriety. Trent's
swaggering has a magical appeal
for Devon, whose parents
(Kathleen Quinlan and Chris-
topher McDonald) are shrill
suburban stereotypes. So
Devon can't resist trailing Trent.
She asks nosy questions and
spies on his social life. Pretty soon, Trent
quits resisting Devon and
accepts her as a sidekick and
confidante. "Lawn Dogs," which
has a lush prettiness despite its
antiseptic settings, does grow
cloying when it allows free
rein to Devon's precociousness.
But Duigan, who made "Sirens,"
breathes life into a story that
rails against conventional
wisdom. When the question
between Devon and Trent be-
comes "What are you going to
do when you grow up?" it's
the little girl who's doing
the asking.
(Janet Maslin, NYT)

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AUSTRIA

592: Vienna • 5104: Innsbruck • 5133: Salzburg,
Vienna.

BELGIUM

561: Antwerp, Brussels • 573: Brussels, Charleroi,
Gent, Tournai • 583: Liège • 592: Antwerp,
Brussels, Leuven • 5104: Brussels, Hasselt •
5119: Ostend • 5133: Bruges (1).

SWITZERLAND

583: Lausanne • 5133: Geneva.

CYPRUS

5104: Nicosia.

GERMANY

561: Barmen, Cottbus, Frankfurt, Hanau, Leipzig,
Plauen, Walsrode • 573: Jena, Leipzig, Zwickau •
583: Apolda, Bamberg, Cottbus, Dresden,
Hannover, Kamen, Kirchheim, Munich, Stuttgart •
592: Dortmund, Hamburg, Passau, Regensburg,
Stuttgart, Wolfsburg • 5104: Berlin, Bremen,
Cologne, Dortmund, Essen, Frankfurt, Fulda,
Hamburg, Hannover, Heidelberg, Karlsruhe,
Lübeck, Minden, Munich, Nürnberg, Schwerin,
Stuttgart • 5119: Bonn, Cologne, Düsseldorf,
Mannheim, Munich (2), Wiesbaden • 5133: Berlin,
Frankfurt, Heidelberg • 5150: Düsseldorf.

SPAIN

553: Madrid • 583: Alicante • 5104: Madrid.

FRANCE

553: Amiens, Angers, Bordeaux, Orléans, Paris,
Reims, Tours • 581: Clermont-Ferrand, Lille, Lyon,
Nantes, Paris, Poitiers, Toulon • 573: Annecy.

Blois, Bordeaux, Brest, Cannes, Lyon, Marseille,
Nantes, Nîmes, Reims, Tours • 583: Orléans,
Grenoble, Metz, Paris • 592: Montpellier, Paris,
Strasbourg • 5104: Calais, Paris • 5119: Paris,
Toulouse • 5133: Nice (3), Paris • 5168: Paris.

FINLAND

5104: Helsinki.

UNITED KINGDOM

553: Birmingham, Bolton, Braintree, Coventry,
Glenrothes, Leeds, Livingston, Rugby, Stockton-
on-Tees • 561: Birmingham, Stirling, Strathclyde,
York • 573: Aylesbury, Belfast, Burton, Cardiff (4),
Sandy Bedford • 583: Manchester, Warrington •
592: Nottingham • 5104: Ashford, Belfast,
Birmingham, Epsom, Exeter, Glasgow, Leicester,
Newcastle, Newport, Sheffield, Telford •
5133: Leeds, London • 5150: Edinburgh, London •
5168: London, Maidenhall, Manchester •
5192: Cambridge, London.

GREECE

5133: Athens.

ITALY

553: Quarto d'Alto (Venice) • 573: Bologna,
Olimpia • 592: Bologna, Naples • 5133: Florence,
Milan • 5168: Rome.

MALTA

5133: Malta.

THE NETHERLANDS

561: Moerdijk, Soestdijk • 583: Rotterdam •
592: Utrecht • 5104: Eindhoven • 5119: Leiden •
5133: Amsterdam, Maastricht.

PORTUGAL

561: Porto.

POLAND

5119: Warsaw.

ROMANIA

5168: Bucharest.

RUSSIA

5119: Moscow.

...and further afield

BAHRAIN - 592: Bahrain - 583:
Hurgada, Salaga • KENYA - 5119: Nairobi •
KUWAIT - 5225: Kuwait • MOROCCO - 5119:
Casablanca • DMAN - 553: Muscat • 5104: Muscat •
5119: Salalah • SAUDI ARABIA - 561: Jeddah •
592: Najran • 5119: Jeddah, Riyadh • U.A.E. -
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Seoul Names 55 Firms Deemed Certain to Fail

Critics Claim List Spares Major Companies

By Don Kirk
International Herald Tribune

SEOUL — Under strong pressure from President Kim Dae Jung, South Korean authorities Thursday released a list of 55 companies that it said should be denied credit and liquidated. Analysts immediately denounced the list for its failure to include the names of scores of major companies that are also in severe financial difficulty.

Lee Hun Jai, chairman of the Financial Supervisory Commission, a watchdog agency formed after Mr. Kim's inauguration in February, was almost apologetic after he and the president of the Commercial Bank of Korea released the names at a crowded news conference.

Although 20 affiliates of the country's top five chaebol, or conglomerates, were included, Mr. Lee said that the results of the evaluation of the "Big Five" themselves "were a little unsatisfactory."

"In the end, even the president had to get involved," said David Kim, senior researcher at Indosuez W.I. Carr, "but the actual list did not contain one major company."

The question raised by the choice of relatively minor companies, many of which would have gone out of business anyway, was how quickly the government is going to move on sweeping restructuring plans promised by Mr. Kim.

Cbaebol officials were reluctant to comment publicly on the move to force insolvent companies out of business, but Park Dae Shik, manager of the international business team of the Federation of Korean Industries, indicated resistance to further efforts at government involvement.

"I don't think it is reasonable for the government to directly intervene in corporate matters," Mr. Park said. "I don't think this kind of announcement can solve any problem. It is just symbolic."

Noting that the commission said the 55 companies accounted for 25 percent

of corporate loans as of the end of March, Edward Campbell-Harris, director of Jardine Fleming Securities here asked, "What about the other 75 percent of loans?"

Mr. Campbell-Harris questioned whether the companies on the list would really be denied credit, as demanded by the Financial Supervisory Commission with the apparent concurrence of banks. "We've all been waiting for this hit list," he said. "What does it mean? Do these companies close their doors?"

Only 10 of the 55 companies, he noted, were listed on the Korea Stock Exchange, which suspended trading of their shares when the list was released.

Mr. Lee said the list was only "the first step of corporate restructuring" and that the Financial Supervisory Commission and creditor banks would "prepare follow-up measures for restructuring," notably "exchange of business operations" among major chaebol.

Rumors have been sweeping the business and financial community of negotiations that might lead to mergers of enormous entities.

The terms "big deal" and "swap" are commonly used in reports and commentaries in Korean to describe this kind of transaction.

According to one widespread report, the Hyundai Group, the country's largest chaebol, might agree to yield its Hyundai Petrochemical Co. to LG Petrochemical Co., an entity of the LG Group, the fourth-largest chaebol.

At the same time, LG would yield LG Semicon Co. to Samsung Electronics Co., the flagship of the Samsung Group, the second-ranking chaebol. Samsung in turn would turn over the fledgling Samsung Motor Co. to Hyundai Motor Co., the country's largest motor vehicle maker.

Bae Ji Dong, international affairs director of the Federation of Korean Industries, made up of chaebol chairmen, said "a big deal or swap will be unveiled soon."



Former President George Bush, left, being hugged by Mr. Yeltsin on Thursday in Moscow, where Mr. Bush was on a visit. Mr. Chubais, in photo on right, outlining Russia's financing needs from the IMF.



Mr. Chubais, in photo on right, outlining Russia's financing needs from the IMF.

Asia Crisis Slams U.S. Exporters

April Trade Gap Soars To Record \$14.5 Billion

Compiled by Our Staff From Dispatches

WASHINGTON — The U.S. trade deficit soared to a record \$14.5 billion in April, the Commerce Department reported Thursday, as the Asian financial crisis battered American exporters, pushing down sales of everything from commercial aircraft to farm products.

The April deficit was 9.5 percent higher than the March imbalance of \$13.2 billion, the previous record.

The trade deficit with Japan narrowed in April as that country's stagnant economy produced a drop in both exports and imports, while the merchandise trade gap with China widened to its biggest level in six months.

"The recession in Japan, combined with her continuing trade barriers is clearly affecting our trade picture," Commerce Secretary Richard Daley said. "In fact most of our trade deficit can be accounted for by Japan and China."

The United States had a \$5.41 billion trade deficit with Japan in April, down from \$5.76 billion in March. The April deficit last year was \$4.96 billion.

The U.S.-China merchandise trade deficit rose in April to \$4.28 billion from \$3.76 billion in March as U.S. imports of Chinese-made telephones and toys rose, while exports of foods and oilseeds to China declined. The numbers measure trade in goods alone and are not adjusted for seasonal variations.

The overall \$14.5 billion deficit was the highest since the government began tracking goods and services on a monthly basis in 1992. For goods alone, the deficit of \$12.15 billion was the highest in history.

The politically contentious trade deficit with Japan remains on track to exceed the record of \$55.686 billion set last year. For the first four months of 1998, the deficit is up 13 percent, at \$20.82 billion, compared with \$18.37 billion for the same period in 1997.

"It's clear that the deficit with Japan is going to widen over the course of this year," said Russ Sheldon, chief economist at MCM MoneyWatch. "U.S. exports are being crushed by the Asian crisis and the rise in the value of the dollar." U.S. exports to Japan fell 6 percent in April, to \$4.91 billion from \$5.22 billion in March, led by drops in sales of office machinery and fish.

At the same time, imports from Japan also fell 6 percent in April, to \$10.32 billion from \$10.98 billion in March. Leading the way were declining purchases of motor vehicles and electrical machinery.

Elsewhere in Asia, the U.S. trade deficit with South Korea narrowed in April to \$519 million from \$659 million in March. U.S. imports from South Korea fell 0.9 percent, to \$1.92 billion, while exports to South Korea rose 9.6 percent, to \$1.40 billion. (AP, Bloomberg)

Russia Hopes to Raise \$15 Billion

Moscow to Issue International Bonds and Ask IMF for More Funds

By David Hoffman
Washington Post Service

MOSCOW — Russia announced Thursday that it would need \$10 billion to \$15 billion in new international loans to stabilize its troubled finances, making explicit that it would seek a fresh injection of money from the International Monetary Fund and would borrow on global markets.

The announcement was made by Anatoli Chubais one day after he was named by President Boris Yeltsin to be special envoy to the international financial organizations. Mr. Chubais is expected to open talks next week with a delegation from the IMF.

On Thursday, the IMF executive board postponed the scheduled release of a \$670 million installment of the

current \$9.2 billion loan to Russia. Interfax said Russian officials had objected to some conditions set by the Fund.

Mr. Chubais blunted in remarks to reporters that the differences concern IMF demands for reform of Russia's huge monopolies.

Mr. Chubais, who now heads the electricity monopoly, RAO Unified Energy Systems, said some of the IMF's terms "have lagged behind present-day life."

"The situation is extremely difficult," Mr. Chubais said about Russia's need for more loans. "Naturally, in this situation, Russia has to act actively, aggressively, and be pushy."

Russia has been caught up "in a very severe world financial crisis," he added. "We live not on the moon, but in Russia, and we must protect ourselves."

Mr. Chubais said the need for \$10 billion to \$15 billion is based on Russia's foreign-currency reserves, which have dwindled; its difficult short-term debt situation, in which interest rates have shot up on government bonds to more than 60 percent; and the continuing decline in global prices for natural resources — oil, gas and metals — which are Russia's main exports.

He said in a television interview that the money was not necessarily going to be spent, but rather would be used to calm markets, which have been jittery by Russia's deficit spending and speculation about a possible ruble devaluation.

"It does not mean that the named sum — if it is obtained — will be used," Mr. Chubais said, adding that Russia needs simply to announce that the credit is in the bank.

"The fact that we have access to financial resources of the sum that I have mentioned," Mr. Chubais said, "sharply changes the behavior of investors on the financial markets. It prevents negative tendencies even if the resources are not used."

In recent weeks, Russian officials have hinted that they need additional financial resources, but on Thursday, Mr. Chubais made clear that Russia would seek the aid. At the same time, Western governments have made vague promises to provide assistance should Russia need it — but have offered nothing concrete.

Any IMF loans would come with conditions for further reform, which have not yet been worked out. The IMF has consistently sought to link its loans with progress toward reducing Russia's deficit, overhauling the archaic tax system and reforming the monopolies.

Mr. Chubais is expected to focus on these conditions in meetings starting Monday with the IMF delegation, which will include the Fund's deputy managing director, Stanley Fischer.

Finance Minister Mikhail Zadornov said the rescue package Russia was seeking "must not be smaller than \$10 billion," but might also include borrowings on international financial markets. For example, Russia floated a \$2.5 billion Eurobond on Thursday at an interest rate of 12.75 percent.

"The possible IMF aid will serve as some backbone to be buttressed with other elements of the government's program of borrowing," Mr. Zadornov said.

The finance minister predicted that the long hoped-for revival of economic growth in Russia would not occur this year.

"On the face of it, all of the developments could be interpreted as extremely positive for Russia," Martin

See RUSSIA, Page 20

Thinking Ahead / Commentary

The Nation State Is Still Alive and Well

By Reginald Dale
International Herald Tribune

CERNOBBIO, Italy — Although some would write its epitaph, the nation state is alive and reasonably well. Despite the globalization of the world economy, the state still provides the main framework for political expression and the passage and enforcement of laws — not to mention the kind of patriotic fervor surrounding this month's World Cup soccer matches.

Nevertheless, there can be no denying that the freedom of individual governments to set economic policy has progressively eroded in the half century since World War II, as interdependence between nations has grown. That erosion is now accelerating.

With the dismantling of economic and financial barriers, and the rapid growth of world trade and capital flows, it is ever more obvious that one country's business is frequently everybody else's too.

That makes it easier, and more necessary, for international institutions like the World Trade Organization and the International Monetary Fund — and regional bodies like those of the European Union — to intervene in what used to be domestic affairs.

That growing intrusion into the traditional preserve of national governments was a dominant theme at a conference organized here this week by the Council for the United States and Italy, a private policy group.

The meeting was attended by leading business, political and academic representatives from the two countries.

No one demurred when participants stressed the need to move further to-



economy on a genuinely global basis. The requests by China and Russia and 30 other countries to join the WTO, giving it worldwide reach, are the most striking example.

And the trend to more global governance is not just economic, as evidenced by the current negotiations in Rome to establish a permanent new international court to try crimes against humanity.

Experts at the Cernobbio conference also called for a new supranational authority to fight organized crime. It seems obvious that many modern ills such as weapons proliferation, drug-trafficking and money-laundering can only be tackled effectively through international cooperation.

Of course, we are still a very long way from world government. No country is ready for that — least of all the United States, where even the IMF and the WTO remain highly controversial. And the toughest restrictions on national governments' freedom of choice have not been imposed by the international institutions but by financial markets.

In a world where every country needs private capital to prosper, international investors have far more power than the IMF to dictate disciplined economic policies.

That does not stop national governments playing up the importance of institutions like the IMF when it suits them. They make good scapegoats when things go wrong — not least because, in the end, most people's loyalty is still to their own country. Few fans would cheer for the IMF if it fielded a team in the World Cup finals.

E-mail address: Thinkahead@washpost.com

CURRENCY & INTEREST RATES

Cross Rates									
	U.S.	DM	FF	Yen	GBP	HK\$	S\$	NT\$	Other
Australia	2.28	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
Canada	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65
France	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
Germany	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
Italy	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
Japan	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
South Africa	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
Switzerland	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
U.K.	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
U.S.	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22
Other	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22	1.22

Libor-Libor Rates									
	1-month	3-month	6-month	9-month	12-month	18-month	24-month	36-month	48-month
U.S.	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
DM	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
FF	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Yen	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
GBP	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
HK\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
S\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
NT\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Other	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00

Key Money Rates									
	1-month	3-month	6-month	9-month	12-month	18-month	24-month	36-month	48-month
U.S.	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
DM	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
FF	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Yen	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
GBP	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
HK\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
S\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
NT\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Other	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00

Other Dollar Values									
	1-month	3-month	6-month	9-month	12-month	18-month	24-month	36-month	48-month
U.S.	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
DM	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
FF	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Yen	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
GBP	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
HK\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
S\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
NT\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Other	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00

Forward Rates									
	1-month	3-month	6-month	9-month	12-month	18-month	24-month	36-month	48-month
U.S.	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
DM	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
FF	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Yen	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
GBP	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
HK\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
S\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
NT\$	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Other	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00

Saudi Seeks To Acquire Ferre Stake

Bloomberg News

MILAN — Prince Walid bin Talal of Saudi Arabia is in talks to buy a stake in the Italian fashion house Gianfranco Ferre. The move would be the largest acquisition yet by one of the world's most savvy investors in an industry that in recent months has been hammered by Asia's economic woes.

In an interview with the Italian news weekly *Il Mondo* to be published Friday, Franco Mattioli, Mr. Ferre's business partner, said he saw a "70 percent probability of closing the talks within about ten days' time."

The Milan-based fashion company is discussing a 250 billion lire (\$143 million) sale to Prince Walid of 49 percent of the controlling stake held by Mr. Mattioli and Mr. Ferre, the designer and founder.

Prince Walid's interest in Ferre is the latest in a series of potential acquisitions and mergers that promises to re-style the Italian fashion industry. The Milan fashion house Prada said Tuesday that it had acquired a 9.5 percent stake in its Florence-based rival, Gucci Group NV, as a "strategic investment."

Prince Walid is known for taking chances on potentially profitable investments. In September, the Saudi billionaire said he had acquired a 7 percent stake in Donna Karan International Inc. for about \$20 million, his first major foray into the fashion industry.

Officials at Ferre declined to comment on the talks. A spokesman for Prince Walid did not return telephone calls.

Sales of Ferre products have surged over the past few years, making it one of Italy's ten largest fashion houses.

RICHEMONT

RESULTS FOR THE YEAR ENDED 31 MARCH 1998
The Board of Directors of Compagnie Financière Richemont AG announces the following results for the year ended 31 March 1998.

	1998	1997	
Operating Profit	£ 1 044.4 m	£ 954.2 m	+ 9.5%
Profit Attributable to Unitholders	£ 386.0 m	£ 302.9 m	+ 27.4%
Earnings per Unit	£ 67.22	£ 52.75	+ 27.4%
Dividend per Unit	£ 11.50	£ 9.40	+ 22.3%

The financial highlights shown above exclude the effects of exceptional items and goodwill amortisation from the results for both years.

- The Group's operating profit increased by £ 90.2 million (9.5 per cent) to £ 1 044.4 million, reflecting good underlying growth in operating profit in the Group's tobacco and luxury goods businesses, together with a significant reduction in the level of losses arising in respect of the Group's pay television interests. The growth in operating profit of £ 90.2 million was achieved after adverse currency effects arising from the strength of sterling of some £ 132 million.
- Operating profit from the Group's tobacco operations, held through Rothmans International, increased by 15.9 per cent at constant exchange rates, reflecting growth in all regions with particular improvements in France, Malaysia and the United Kingdom.
- The Group's luxury goods business, held through Vendôme Luxury Group, showed continued growth with operating profit increasing by 15.2 per cent in Swiss franc terms.
- Profit attributable to unitholders and earnings per unit, adjusted to exclude exceptional items and goodwill amortisation, increased by 27.4 per cent to £ 386.0 million and £ 67.22, respectively.
- The annual dividend is increased by 22.3 per cent to £ 11.50 per unit.

Copies of the full results announcement and the annual report may be obtained from:
Compagnie Financière Richemont AG, Rigistrasse 2, 8001 Zug, Switzerland
Telephone: +41 (0)41 710 1122 Telex: +41 (0)41 711 71 02
Richemont International Limited, 15 Hill Street, London W1X 7

Retirement Plan Steers Adam Opel to '97 Loss

FRANKFURT — Adam Opel AG said Thursday it had posted a loss last year, the first unprofitable year since 1993, despite record sales, because of the cost of a new workers' retirement plan.

The German unit of General Motors Corp. said an early retirement and pre-retirement plan introduced in January to phase out jobs without

Satellite Company Plans to Sell Shares

BETZDORF, Luxembourg — Societe Europeenne des Satellites, which beams television pictures into almost half of Europe's homes, said Thursday that it plans to sell 15 percent of its equity capital next month via the company at as much as \$6.1 billion.

The company has launched seven satellites and has four under construction that are expected to be launched within two years. It will not receive any proceeds from the sale, as existing shareholders, in a bid to cash in on their investment and a booming stock market, are making available one-sixth of their respective holdings.

"Its long-term potential makes it attractive with the development of digital television and multimedia in Europe," said Gregoire Delouche, fund manager at ASLK in Brussels.

SES, which owns the European Astra satellite network used by British Sky Broadcasting Group PLC, CNN and other TV broadcasters, is the latest satellite company seeking a stock-exchange listing. Iridium Corp. of the U.S., a \$10 billion company listed on the Nasdaq stock exchange, has seen its shares more than double in value since it listed last year.

recurve to layoffs caused a loss of 238 million Deutsche marks (\$127 million) in 1997, despite record sales of 30 billion DM.

The company said in February it expected to post a loss of 150 million DM to 250 million DM because of the extra costs. Without these costs, Opel's 1997 profit would have exceeded the previous year's 314 million DM profit, the company said.

Opel this year guaranteed its 43,500 workers in Western Germany there would be no involuntary layoffs before 2002 and set a plan in motion to phase out several thousand jobs through the plan.

"On first glance this is not positive, but it is clearly an investment in the future security of the company," said David Herman, Adam Opel's chief executive, who will be replaced Friday by GM Europe's manufacturing vice president, Gary Cowger. The carmaker said it expected 1997 earnings to exceed those in 1998, with sales seen matching the previous year's record levels. But it also said sales in the first five months of 1998 fell to 11.5 billion DM from 12.6 billion DM in the same period in 1997.

Ericsson Scopes Out Network Firms

STOCKHOLM — LM Ericsson AB is in talks to acquire Ascend Communications Inc. and other computer networking companies, a person familiar with the talks said Thursday.

Ericsson would not comment on specific acquisition targets. The company "is very interested in data networking companies," a spokeswoman said. Ascend declined to comment.

The Swedish telecommunications company wants to acquire an Amer-



Mr. Cowger, Opel's new chief, at a Frankfurt meeting Thursday.

Micro Focus Buys U.S. Rival

LONDON — Micro Focus Group PLC, a leading British software maker, has agreed to buy a U.S. rival, Intersolv Inc., for \$481 million in new stock.

Both companies make software tools that help engineers design and debug computer programs.

Micro Focus shares, which rose sharply after the deal was an-

Bundesbank Gives Upbeat Jobs Report

FRANKFURT — The German economy, suffering from record postwar levels of unemployment, is beginning to create jobs, and there is even a shortage of workers in some industries, the Bundesbank said in its monthly report for June, scheduled for release Friday.

"The economic upswing has gained pace since the start of 1998," the Bundesbank said in the report. "At the same time, its basis has become broader."

"The drop in job creation, a not-

nounced, gave up the gains to close Thursday in London down 13 percent, at 450 pence (\$7.47).

American depositary shares in Micro Focus were down \$7.25 in late trading in New York, at \$34.75.

Analysis said the share price reversal reflected concern about Micro Focus's plan to issue 14.4 million new American depositary shares to pay for the deal. Micro Focus will pay 0.55 American depositary shares for each Intersolv share, or \$19.11 at the current value. Intersolv shares were \$23.15 higher in late U.S. trading, at \$16.8125.

"I think there was some early market euphoria," said Patrick Yau, an analyst at Nomura International in London, "and then people looked at the acquisition and looked at the amount of shares being issued."

The acquisition of Intersolv will provide Micro Focus with a stronger sales network and build its services unit by adding Intersolv's 300-person division. The combined entity will be able to compete with larger companies such as Compuware Corp., said Martin Waters, chief executive of Micro Focus.

Investor's Europe				
Frankfurt DAX	London FTSE 100 Index	Paris CAC 40	Thursday Close	Prev. Close
3750	6250	4300		
5400	5000	4000		
5650	5750	3700		
4350	5250	3100		
4000	5000	2800		
Exchange Index	Index	Thursday Close	Prev. Close	Change
Amsterdam AEX	1,161.09	1,174.87	-1.77	
Brussels BEL-20	3,329.74	3,339.12	-0.28	
Frankfurt DAX	5,718.06	5,709.36	+0.15	
Copenhagen Stock Market	738.23	740.54	-0.31	
Helsinki HEX General	4,699.09	4,744.56	-0.96	
Oslo OBX	663.69	678.49	-2.18	
London FTSE 100	5,829.10	5,832.70	-0.35	
Madrid Stock Exchange	864.76	864.38	-1.11	
Milan MIBTEL	23167	23331	-1.55	
Paris CAC 40	4,052.27	4,092.82	-0.99	
Stockholm SX 16	4,037.09	4,132.95	-2.32	
Vienna ATX	1,483.47	1,481.10	-0.51	
Zurich SPI	4,706.73	4,745.34	-0.84	

Source: Reuters. International Herald Tribune.

Very briefly:

- British retail sales increased by 1.7 percent in May, fanning talk of a further rise in interest rates. Economists had widely expected a more modest rise of 0.7 percent. The Office for National Statistics said sales rose 4.6 percent in the year to May, up from a 4.0 percent annual rate in April.
- Lorho PLC, the British mining company, posted a loss of \$40 million (\$66.8 million) in the six months ended on March 31 as it wrote down the value of an oil drilling investment.
- Fresenius AG, the German medical products group, said it expected strong 1998 sales and profit growth despite paying about \$40 million (\$470 million) to take over a unit of Pharmacia & Upjohn Inc.
- Daimler-Benz AG said it wanted to extend its vehicle range by developing a so-called "city van" weighing less than 2 tons. The company, which already manufactures Vito, Sprinter and Viano vans weighing between 2.6 and 7.5 tons, said demand for city vans was growing in Western Europe.
- GIAT Industries, the French state-owned defense group, is to shed 3,000 to 4,000 jobs and close several production facilities, Defense Minister Alain Richard said. The group employs 10,500 people.

WORLD STOCK MARKETS

Thursday, June 18
Daily prices in local currencies.

Amsterdam AEX index: 1,161.09
Tel Aviv TA-100 index: 1,161.09

Bangkok SET index: 2,513.50
Buenos Aires MERV index: 2,513.50

Brussels BEL-20 index: 3,329.74
Copenhagen OMX index: 738.23

Helsinki HEX index: 4,699.09
Hong Kong Hang Seng index: 7,382.30

London FTSE 100 index: 5,718.06
Madrid IBEX 35 index: 864.76

Milan MIB index: 23,167.00
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Singapore Straits Times: 1,161.09

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Tel Aviv TA-100 index: 1,161.09

Tokyo Nikkei 225 index: 14,834.70

Vienna ATX index: 1,483.47

Zurich SPI index: 4,706.73

Amsterdam AEX index: 1,161.09

Brussels BEL-20 index: 3,329.74

Copenhagen OMX index: 738.23

Helsinki HEX index: 4,699.09

Hong Kong Hang Seng index: 7,382.30

London FTSE 100 index: 5,718.06

Madrid IBEX 35 index: 864.76

Milan MIB index: 23,167.00

Oslo OBX index: 663.69

Paris CAC 40 index: 4,052.27

Stockholm OMX index: 4,037.09

Taipei TSE index: 7,382.30

Tel Aviv TA-100 index: 1,161.09

INTERNATIONAL

The Associated Press

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ASIA/PACIFIC

Magnitude of Japan's Bank Problem Dwarfs S&L Crisis

By Clay Chandler
and Sandra Sugawara
Washington Post Service

Japanese leaders have promised to fix their ailing banking system, but they stopped short of saying they would undertake the drastic measures urged by the U.S. Treasury and many international financial experts.

Treasury Secretary Robert Rubin and his top aides have pleaded with Japanese officials to employ the sort of ruthless, market-oriented policies that helped the United States bounce back from the savings and loan crisis of the 1980s: close failing banks, merge the weak with the strong, and force the survivors to accept huge losses.

That approach worked in the United States, over six years and at a final cost to the taxpayers of about \$100 billion, but without inflicting broad suffering or social dislocation.

But many private analysts, including skeptics and advocates of such steps, warn that the Japanese would have a far harder time.

Japanese officials face a problem with bad loans — debts to banks that are not being repaid — that is roughly six times as large relative to the size of their economy and

spread more widely through the banking system. They also struggle with structural, legal and cultural obstacles that likely would make the process — even if successful — more lengthy and painful.

Japan's bank problems are huge — significantly bigger than what we faced in the United States, J.P. Morgan & Co. executive who served on the U.S. government's Resolution Trust Corp. from 1990 to 1993 and now spends much of his time advising Japanese clients on how to learn from the U.S. example.

"I think a lot of the U.S. strategies may be transferable to Japan, but it won't be easy," Mr. Ryan said. "And a lot of the solutions that helped us aren't available in Japan."

The stakes are sizable. If done right, curing the Japanese banking system could spur that economy out of recession and help pull the rest of Asia out of financial turmoil. But if it is done ineptly, the sick banking system could prolong Japan's recession and trigger a global financial crisis.

From 1989 to 1995, the Resolution Trust Corp. closed 747 U.S. thrift institutions, nearly half of them in the first six months, and sold off about \$465 billion in assets, including

120,000 real estate properties, at a net cost of about \$100 billion.

Japanese bad loans are estimated to be worth at least \$600 billion, about half of which are probably worthless. But Japan's economy is about half that of the United States. So, by implication, Japan's bad-loan problem, relative to the size of its economy, is about six times as large.

Sick banks maner much more in Japan than in the United States, because Japan's stock and corporate bond markets are less developed, and so are a far smaller source of capital for the private sector. Thus, when the banking system falters, Japanese companies have few alternative sources of money.

The end result is that capital, the lifeblood of the economy, is circulating much more slowly. The weak banks cannot make new loans to companies, so fewer companies invest and the economy shrinks. Moreover, the original borrowers find it all the more difficult to repay their debts.

In the United States, the Resolution Trust Corp., working with the Federal Deposit Insurance Corp., helped break this vicious cycle during the savings and loan crisis. The FDIC determined which lenders should be forced to

close. The Resolution Trust Corp. then took over the books of the failed institutions, paid off their creditors and attempted to resell their assets as quickly as possible. They foreclosed on and then sold the properties and other assets pledged as collateral for the loans.

So far, Japan has resisted this type of solution.

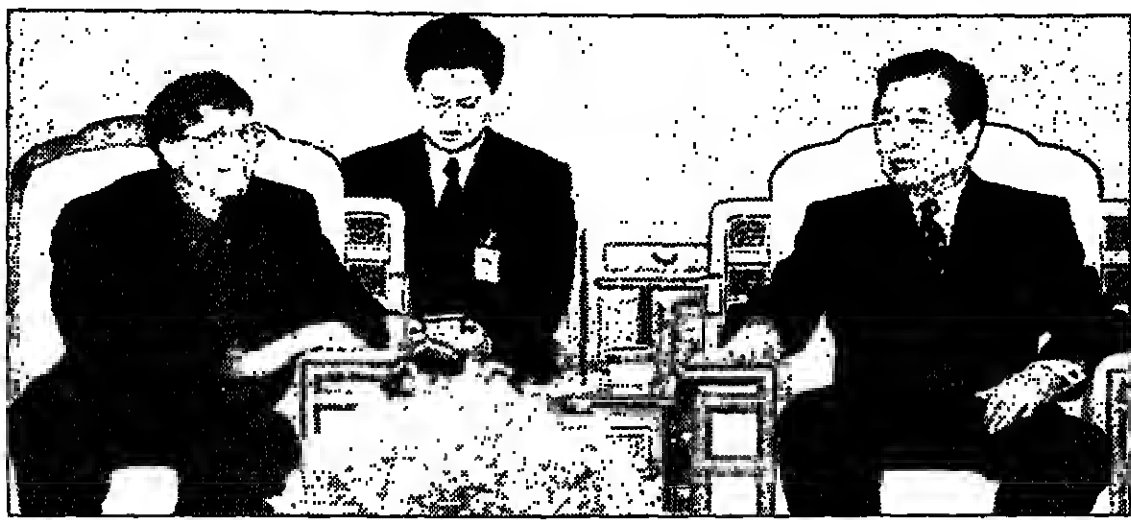
On Monday, Japan is to establish a new Financial Supervisory Agency, which will be empowered to shut a bank if its liabilities exceed its assets, but will not be required to do so. By comparison, U.S. bank supervisors must take some action, including possibly closing a bank if its capital ratio — the bank's net worth relative to its assets — falls below 2 percent.

Finance Minister Hikaru Matsunaga detailed steps Wednesday such as disposing of bad loans more aggressively, restructuring financial institutions, improving disclosure of banks' financial information and strengthening banking supervision.

But those measures will not change one fundamental obstacle to getting bad loans off the Japanese banks' books — namely, the shortage of healthy banks with the money to buy the assets of cash-strapped banks.

Investor's Asia				
Hong Kong Hang Seng		Singapore Straits Times		Tokyo Nikkei 225
12500	1750	1700	1700	1700
11000	1600	1600	1600	1600
10000	1500	1500	1500	1500
9000	1400	1400	1400	1400
8000	1300	1300	1300	1300
7000	1200	1200	1200	1200
1998 J F M A M J				
Exchange	Index	Thursday Close	Prev. Close	% Change
Hong Kong	Hang Seng	8,515.97	8,004.35	+6.39
Singapore	Straits Times	1,133.41	1,107.70	+2.32
Sydney	All Ordinaries	2,808.20	2,548.30	+2.31
Tokyo	Nikkei 225	15,361.54	14,715.38	+4.39
Kuala Lumpur	Composite	471.82	450.88	+4.64
Bangkok	SET	295.15	272.94	+8.14
Seoul	Composite Index	325.49	303.81	+7.14
Taipei	Stock Market Index	7,768.51	7,466.38	+4.04
Manila	PSE	1,828.59	1,716.18	+6.55
Jakarta	Composite Index	440.09	419.44	+4.92
Wellington	NZSE-40	2,031.94	1,988.59	+2.18
Bombay	Sensitive Index	3,292.33	3,400.95	-3.19

Source: Reuters International Herald Tribune



President Kim Dae Jung of South Korea, right, meeting on Thursday with Bill Gates of Microsoft.

Kim Welcomes Microsoft's Korea Investment

SEOUL — President Kim Dae Jung welcomed on Thursday a plan by the head of Microsoft Corp., Bill Gates, to invest up to \$20 million in a South Korean software company.

But Mr. Kim expressed concern about the company's business model, which has an 80 percent market but has not been profitable because of rampant piracy.

The deal called for Microsoft to

take a 19 percent equity stake on the condition that the company give up its leading Korean-language word processing program, called Hangeul, the name of the alphabetic script in which Korean is written.

Hangeul & Computer promised to give up the software, which has an 80 percent market but has not been profitable because of rampant piracy.

The nation was shocked by the withdrawal of Hangeul & Computer

Co. from its word-processor project," Mr. Kim said, referring to a deal Tuesday between Microsoft and the South Korean company.

But Mr. Gates said that condition was not final. The presidential office quoted Mr. Gates as saying, "I will seek to revise our strategy if my plan is accepted here negatively." Mr. Gates arrived here Wednesday as part of a trip through Japan, South Korea and Taiwan.

Malaysia Pledges to Raise Spending to Aid Economy

Compiled by the Staff of Financial Post

KUALA LUMPUR — Malaysia will increase public spending this year to lift its slumping economy, Finance Minister Anwar Ibrahim said Thursday.

The plan to add 7.03 billion ringgit (\$1.74 billion) in "countercyclical" spending was approved Wednesday by Malaysia's cabinet after a 1.8 percent contraction in first-quarter economic growth triggered recession fears, Mr. Anwar said.

"God willing, this increase in spending will raise the gross domestic product growth rate," Mr. Anwar told the members of the United Malays National Organization, the country's dominant political party, at their annual general assembly.

He said further details of the plan would be released Sunday.

The move runs counter to the International Monetary Fund's standard prescription, which includes tightening monetary policy and cutting government spending and subsidies. Among Malaysia's neighbors, Singapore has also raised spending to help counter the slowdown.

Malaysia's plan to spend its way out of its slowdown comes amid the

country's first contraction in 13 years. Companies are suffering from tight liquidity and a slump in demand as high interest rates choke lending. With higher spending, the government hopes to increase consumption.

"The scene has changed. Now, there's tight liquidity and no movement in the economy," said Nik Fazuan, an economist at Hwang DBS Securities. "It's a good move."

Mr. Anwar said the government would identify projects to be implemented on a fast-track basis in the second half of the year and in 1999 to hasten economic recovery.

Projects to be considered include agriculture, construction of low and medium-cost houses, schools, expansion of vocational institutions and universities, clinics, bridges and roads, especially in rural areas, and water supply systems.

Mr. Anwar said economic recovery should be the main priority for all Malaysians now.

Malaysian stocks surged during Mr. Anwar's speech, with the benchmark 100-stock Composite Index closing 5 percent higher, at 471.82. (Bloomberg, AFP)

Very briefly:

• Telstra Corp., Australia's leading telecommunications company, said it bought a 10 percent stake in the global telecommunications alliance WorldPartners Co., which includes AT&T Corp., Kokusai Denshin Denwa Co., Singapore Telecommunications Ltd. and Unisource NV. The purchase price was not disclosed.

• Legend Holdings Ltd. posted a net profit of 73.27 million Hong Kong dollars (\$9.5 million) for the year ended March 31 after recording a loss of 48.64 million dollars in the previous year. The Chinese computer products manufacturer and distributor attributed the profit to the acquisition of three units from its parent company.

• Japanese automakers took advantage of the weak yen to increase exports of cars and trucks to the United States, countering slumping sales at home and a decline in exports to Asia. Mazda Motor Corp.'s exports to the United States rose 31.6 percent, Toyota Motor Corp.'s rose 12 percent and Honda Motor Co.'s rose 9.8 percent.

• Moody's Investors Service Inc. lowered the subordinated debt ratings of Long-Term Credit Bank of Japan Ltd. and Long-Term Credit Bank France NV to B1 from Baa1, warning that it was concerned about "deteriorating financial fundamentals" at the Japanese bank.

• Taiwan suspended new infrastructure projects worth more than \$1.5 billion after BES Engineering Corp. protested the award of a mass-transit contract to a rival company, Ever Fortune Industry Co.

• Taiwan will cut tariffs on European vehicles by 2.5 percentage points, to 17.5 percent, beginning in 2008, in a bid to gain admission to the World Trade Organization, the deputy economics minister, Lin Yi-fu, said.

• South Korea attracted \$654 million of foreign investment in May, a 15 percent increase over the previous month, the Ministry of Finance and Economy said. (Bloomberg, Reuters, AFP)

NASDAQ									
Thursday's 4 P.M.									
(Continued)									
12 Month	High	Low	Stock	Div	Yld	PE	52	High	Low
12 Month	High	Low	Stock	Div	Yld	PE	52	High	Low
12	154	154	Amgen	0.4	3.1	20.1	184	154	154
13	154	154	Amgen	0.4	3.1	20.1	184	154	154
14	154	154	Amgen	0.4	3.1	20.1	184	154	154
15	154	154	Amgen	0.4	3.1	20.1	184	154	154
16	154	154	Amgen	0.4	3.1	20.1	184	154	154
17	154	154	Amgen	0.4	3.1	20.1	184	154	154
18	154	154	Amgen	0.4	3.1	20.1	184	154	154
19	154	154	Amgen	0.4	3.1	20.1	184	154	154
20	154	154	Amgen	0.4	3.1	20.1	184	154	154
21	154	154	Amgen	0.4	3.1	20.1	184	154	154
22	154	154	Amgen	0.4	3.1	20.1	184	154	154
23	154	154	Amgen	0.4	3.1	20.1	184	154	154
24	154	154	Amgen	0.4	3.1	20.1	184	154	154
25	154	154	Amgen	0.4	3.1	20.1	184	154	154
26	154	154	Amgen	0.4	3.1	20.1	184	154	154
27	154	154	Amgen	0.4	3.1	20.1	184	154	154
28	154	154	Amgen	0.4	3.1	20.1	184	154	154
29	154	154	Amgen	0.4	3.1	20.1	184	154	154
30	154	154	Amgen	0.4	3.1	20.1	184	154	154
31	154	154	Amgen	0.4	3.1	20.1	184	154	154
32	154	154	Amgen	0.4	3.1	20.1	184	154	154
33	154	154	Amgen	0.4	3.1	20.1	184	154	154
34	154	154	Amgen	0.4	3.1	20.1	184	154	154
35	154	154	Amgen	0.4	3.1	20.1	184	154	154
36	154	154	Amgen	0.4	3.1	20.1	184	154	154
37	154	154	Amgen	0.4	3.1	20.1	184	154	154
38	154	154	Amgen	0.4	3.1	20.1	184	154	154
39	154	154	Amgen	0.4	3.1	20.1	184	154	154
40	154	154	Amgen	0.4	3.1	20.1	184	154	154
41	154	154	Amgen	0.4	3.1	20.1	184	154	154
42	154	154	Amgen	0.4	3.1	20.1	184	154	154
43	154	154	Amgen	0.4	3.1	20.1	184	154	154
44	154	154	Amgen	0.4	3.1	20.1	184	154	154
45	154	154	Amgen	0.4	3.1	20.1	184	154	154
46	154	154	Amgen	0.4	3.1	20.1	184	154	154
47	154	154	Amgen	0.4	3.1	20.1	184	154	154
48	154	154	Amgen	0.4	3.1	20.1	184	154	154
49	154	154	Amgen	0.4	3.1	20.1	184	154	154
50	154	154	Amgen	0.4	3.1	20.1	184	154	154
51	154	154	Amgen	0.4	3.1	20.1	184	154	154
52	154	154	Amgen	0.4	3.1	20.1	184	154	154
53	154	154	Amgen	0.4	3.1	20.1	184	154	154
54	154	154	Amgen	0.4	3.1	20.1	184	154	154
55	154	154	Amgen	0.4	3.1	20.1	184	154	154
56	154	154	Amgen	0.4	3.1	20.1	184	154	154
57	154	154	Amgen	0.4	3.1	20.1	184	154	154
58	154	154	Amgen	0.4	3.1	20.1	184	154	154
59	154	154	Amgen	0.4	3.1	20.1	184	154	154
60	154	154	Amgen	0.4	3.1	20.1	184	154	154
61	154	154	Amgen	0.4	3.1	20.1	184	154	154
62	154	154	Amgen	0.4	3.1	20.1	184	154	154
63	154	154	Amgen	0.4	3.1	20.1	184	154	154
64	154	154	Amgen	0.4	3.1	20.1	184	154	154
65	154	154	Amgen	0.4	3.1	20.1	184	154	154
66	154	154	Amgen	0.4	3.1	20.1	184	154	154
67	154	154	Amgen	0.4	3.1	20.1	184	154	154
68	154	154	Amgen	0.4	3.1	20.1	184	154	154
69	154	154	Amgen	0.4	3.1	20.1	184	154	154
70	154	154	Amgen	0.4	3.1	20.1	184	154	154
71	154	154	Amgen	0.4	3.1	20.1	184	154	154
72	154	154	Amgen	0.4	3.1	20.1	184	154	154
73	154	154	Amgen	0.4	3.1	20.1	184	154	154
74	154	154	Amgen	0.4	3.1	20.1	184	154	154
75	154	154	Amgen	0.4	3.1	20.1	184	154	154
76	154	154	Amgen	0.4	3.1	20.1	184	154	154
77	154	154	Amgen	0.4	3.1	20.1	184	154	154
78	154	154	Amgen	0.4	3.1	20.1	184	154	154
79	154	154	Amgen	0.4	3.1	20.1	184	154	154
80	154	154	Amgen	0.4	3.1	20.1	184	154	154
81	154	154	Amgen	0.4	3.1	20.1	184	154	154
82	154	154	Amgen	0.4	3.1	20.1	184	154	154
83	154	154	Amgen	0.4	3.1	20.1	184	154	154
84	154	154	Amgen	0.4	3.1	20.1	184	154	154
85	154	154	Amgen	0.4	3.1	20.1	184	154	154
86	154	154	Amgen	0.4	3.1	20.1	184	154	154
87	154	154	Amgen	0.4	3.1	20.1	184	154	154
88	154	154	Amgen	0.4	3.1	20.1	184	154	154
89	154	154	Amgen	0.4	3.1	20.1	184	154	154
90	154	154	Amgen	0.4	3.1	20.1	184	154	154
91	154	154	Amgen	0.4	3.1	20.1	184	154	154
92	154	154	Amgen	0.4	3.1	20.1	184	154	154
93	154	154	Amgen	0.4	3.1	20.1	184	154	154
94	154	154	Amgen	0.4	3.1	20.1	184	154	154
95	154	154	Amgen	0.4	3.1	20.1	184	154	154
96	154	15							

June 18, 1998

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WORLD ROUNDUP

A Setback for Graf

TENNIS Steffi Graf, who returned to tennis last weekend after being sidelined by injuries, lost to Anna Kournikova, 6-7 (4-7), 6-3, 6-4, in a two-hour quarterfinal Thursday in the grass court tournament at Eastbourne, England.

Graf was upset by several calls and when she came off the court she refused to shake the hand of the umpire, Andy Wynn. During the final set she pleaded with Wynn to change the line judges, and she was also angry when he refused to overrule several calls.

Graf reached the semifinals in Birmingham last weekend before the tournament was curtailed by rain. (AP)

Bargaining With NBA

BASKETBALL A moratorium resembling a no-lockout, no-strike pledge was discussed during a National Basketball Association collective bargaining session as a way to reinstate 12 players who were removed from the U.S. world championship team.

USA Basketball had dropped the players from its 24-man roster because it feared that the NBA was going to lock out the players on July 1 and they would then boycott the team for the championships in Greece, which start July 29.

The Seattle SuperSonics hired Paul Westphal as coach to succeed George Karl, who was fired.

The four-year contract is reportedly worth \$1 million and \$1.5 million per season. Five years ago Westphal took the Phoenix Suns to the NBA final but was fired during the 1995-96 season. (AP)

A Trinidadian Speedster

ATHLETICS Ato Boldon of Trinidad equaled the third fastest time ever over 100 meters when he clocked 9.86 seconds at an international meeting Wednesday in Athens.

Only the Olympic 100-meter champion, Donovan Bailey of Canada, who set the world record of 9.84 at the 1996 Atlanta Games and Leroy Burrell, the American who set the previous world mark of 9.85 in Lausanne four years ago, have run faster. (Reuters)

McGwire Hits No. 32 But Astros Win Game

The Associated Press

Many of the 37,147 fans at the Astrodome headed for the exits after Mark McGwire, who had earlier hit his 32d homer, completed a 3-for-5 night by flying out in the eighth.

So they missed Houston's ninth-inning rally Wednesday, which included

BASEBALL ROUNDUP

Jeff Bagwell's tying two-run homer and Brad Ausmus's winning single as the Astros won 6-5.

McGwire hit his major league-leading 32d homer and drove in his National League-leading 81st run for St. Louis but said he was not happy.

"If I hit a home run and we don't win, it doesn't matter," said McGwire, who hit a line drive over the left-field scoreboard in the third inning.

"I understand a lot of people come out to see Mark McGwire," Bagwell said, "but they should be out here to see the Houston Astros play the St. Louis Cardinals. For them to leave after Mark's last at-bat, I wouldn't say it was a slap in the face, but unfortunately for them they missed a good inning."

Braves 6, Marlins 2 Greg Maddux tossed a four-hitter to become the majors' first 10-game winner as Atlanta beat visiting Florida.

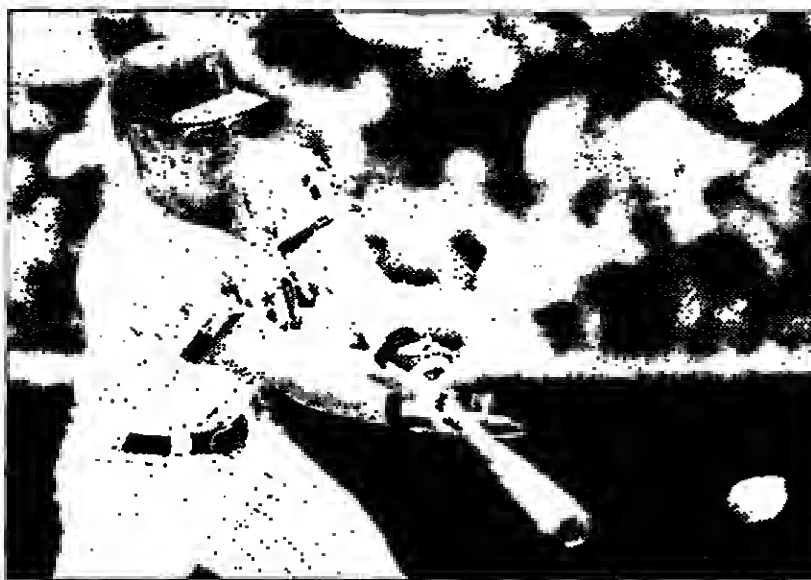
By limiting Florida to a pair of unearned runs, Maddux (10-2) dropped his earned run average to 1.62, second-best in the NL. The four-time Cy Young winner has allowed two runs or fewer in 10 straight starts.

"He's the best," said Jim Leyland, the Marlins manager. "He can punt for a hit. He can field the ball. The only thing he can't do is throw 98 mph."

Brewers 6, Cubs 5 John Jaha hit a three-run homer as Milwaukee overcame another homer by Sammy Sosa and a pair of two-run shots from Jose Hernandez to win in Chicago.

Phillies 3, Pirates 1 In Philadelphia, Curt Schilling pitched a two-hitter and struck out 10 as the Phillies completed a three-game sweep with their fourth straight victory.

Schilling (7-7) leads the majors with



Scott Rolen powering a triple on Wednesday against the Pittsburgh Pirates at Philadelphia. Philadelphia triumphed over Pittsburgh, 3-1.

seven complete games and 157 strikeouts. It was Schilling's 10th game this season with 10 or more strikeouts and 39th of his career.

Giants 6, Rockies 3 In San Francisco, Kirk Rueter pitched six strong innings and Rich Aurilia hit a tiebreaking two-run homer in the sixth.

Diamondbacks 4, Reds 1 Jay Bell homered and drove in two runs and Devon White hit his first right-handed homer of the season as Arizona won in Cincinnati.

Expos 5, Mets 4 In Montreal, Brad Fullmer won the game with a two-out, run-scoring single in the bottom of the ninth as the Expos snapped a three-game losing streak.

Fullmer's sinking line drive fell in front of diving center fielder Brian McRae and scored Shane Andrews.

Padres 3, Dodgers 2 In San Diego, Wally Joyner's loop single in the 12th got past center fielder Roger Cedeno, allowing Greg Vaughn to score from first and give the Padres their ninth straight victory.

In American League games: Devil Rays 2, Blue Jays 1 Rolando Arroyo, a Cuban pitcher, won his ninth game in helping Tampa Bay beat visiting Toronto.

Rolando's brother, Roberto, watched from the stands at Tropicana Field in St. Petersburg, Florida, as his younger brother continued his remarkable first season in the major leagues.

Rolando Arroyo defected in 1996. Roberto and the brothers' mother, Urvendolina, arrived in South Florida last week after fleeing Cuba in a boat.

Yankees 5, Orioles 3 Darryl Strawberry

hit a 465-foot homer off Mike Mussina as New York averted a three-game sweep in Baltimore.

Strawberry's 10th homer, a three-run shot to center in the first, was the longest in the seven-year history of Camden Yards.

Royals 4, Indians 3 In Cleveland, Jose Rosado won for the third time in four starts despite being knocked out of the game by a line drive that hit his pitching arm.

Rosado had to leave the game in the seventh inning with a bruised biceps muscle after being struck by David Bell's shot. Man Whisenant relieved and served up Kenny Lofton's three-run homer to cut it to 4-3.

Tigers 6, Twins 2 In Detroit, Tony Clark homered from both sides of the plate as the Tigers beat Minneapolis to win for the fifth time in 17 games.

Red Sox 12, White Sox 5 In Chicago, Mo Vaughn and Troy O'Leary each drove in three runs as Boston won for the sixth time in seven games.

Athletics 3, Rangers 2 In Arlington, Texas, Kenny Rogers pitched 7 1/2 innings to beat his former team and Oakland took advantage of two errors by Texas first baseman Will Clark to win its fourth straight.

Angels 4, Mariners 2 In Anaheim, California, Darin Erstad brought Anaheim from behind with a two-run homer in the seventh, and Omar Olivares pitched eight strong innings.

Terry Collins, the Anaheim manager, returned to the bench after an eight-game suspension. The victory moved the Angels 1 1/2 games ahead of Texas in the AL West.

Selig Finally Accepts Top Job in Baseball

'Anticlimax' for 6-Year Acting Commissioner

By Murray Chass

New York Times Staff Writer

NEW YORK — The search for a baseball commissioner is over. It did not stray an inch from where it began.

Bud Selig, who has served in the role of commissioner for nearly six years without having the title, has decided to accept the job he had resisted taking, several people in ownership and high-ranking positions in Major League Baseball said Wednesday.

Two people, one a high-ranking official in baseball and one who has close contacts with people in the sport's hierarchy, said an announcement could be made by the All-Star Game, which is scheduled July 7.

The naming of Selig should surprise no one, inside or outside baseball.

"It's one of the great anticlimaxes of all time," one former official said.

Selig, who will be 64 next month, has said for several years that he did not want to be commissioner. But he never said he would flatly refuse to accept the position. Overwhelming support from owners for him to take the job made it possible for him to agree to take it.

"An almost unified ownership came to him and said, 'You've got to do it; you're the only one,'" one official said.

An owner described a scene at a meeting involving Jerry McMorris, owner of the Colorado Rockies and chairman of the commissioner search committee.

"McMorris is sitting there saying we have some candidates we should interview," the owner related, but he added, "What's the sense of doing that when the answer is sitting right there?"

Several people said only two or three owners oppose the idea of Selig as commissioner. All of them named Jerry Reinsdorf of the Chicago White Sox as one. Others identified were Peter Magowan of the San Francisco Giants and The Tribune Co., owner of the Chicago Cubs.

But one person said the Giants had only recently heard about the development and were not sure what the Giants' position would be.

Two people said it was possible that when it came to an official vote, even the clubs opposed might vote for Selig. Election of a commissioner requires a three-

fourths majority of the 30 clubs, including at least five votes in each league.

Selig was in Houston for an Astros' news conference Wednesday and did not respond to a message left with the Astros' business office.

Major League Baseball has been without a commissioner since Fay Vincent, the eighth commissioner, resigned under pressure on Sept. 7, 1992.

Two days later, Selig was named chairman of the executive council, which runs baseball in the absence of a commissioner. He has been in charge since, most often referred to as interim commissioner.

Even when Selig is officially confirmed and introduced as the ninth commissioner, it is unlikely that changes will be noticeable. Selig has always operated with a consensus of owners and will continue to do so. He rarely has taken action without knowing that he has enough votes for his position.

Furthermore, owners are happy with the presence since last July of Paul Beeston in the New York office as president and chief operating officer of Major League Baseball. Beeston's role is believed to have influenced Selig to accept the top job. From the day Beeston, who formerly was president of the Toronto Blue Jays, took his job, he has urged Selig to become the commissioner.

Selig is president, chief executive officer and operating officer of the Milwaukee Brewers. Some owners had previously expressed concern about an owner being commissioner, but that concern evidently has been satisfied.

One person said he thought Selig would put his share of the Brewers in a trust.

One problem Selig may have as public acceptance of him as commissioner. His was the anguished face that fans saw on television throughout the 234-day strike, and it was he who announced cancellation of the 1994 World Series. The absence of the World Series even more than the strike itself was the development that turned many fans against baseball.

Another matter will be management's relationship with the players union. The relationship between Selig and Donald Fehr, head of the union, deteriorated badly during the labor dispute and ensuing strike.

For Golfers, USGA Proposal Worth Its Weight in Titanium

New York Times Service

SAN FRANCISCO — If you're a golfer with one of those high-tech titanium drivers, you can still hit the ball longer and straighter and you can still hit it out of bounds.

For more than a month, the golf underground had warned that the guardian of the game, the U.S. Golf Association, was about to ban all those Big Berthas, Titleist 975Ds, Ping Tisi's, Taylor Ti Bubbles and King Cobra Ti's that were providing touring pros and duffers with more yards off the tee.

For any golfer, only one development could be worse: closing your favorite 19th hole.

But sanity, if not sympathy, has prevailed. Wednesday, on the eve of the 98th U.S. Open, the association announced a proposal instead of a punishment. It also indicated that virtually all the clubs submitted for USGA testing that are now on the market will conform to the eventual standard.

Your titanium clubs out only are legal, but they will also apparently remain legal even after the USGA announces that standard sometime in the fall.

That standard will involve a golf phrase that is suddenly as important as "greens in regulation." The phrase is "spring-like effect," meaning the rebound velocity of a golf ball off

Vantage Point/DAVE ANDERSON

the face of a club. Those words have been in the Rules of Golf since 1984, but only vaguely.

"The material and the construction of the club," Rule 4-1e of Appendix II reads, "shall not have the effect of impact of a spring."

David Fay, the association's executive director, said all clubs have had some spring-like effect in the literal sense "because all

clubs deform at impact." As examples, Fay mentioned Bobby Jones's driver in 1930, the wooden-headed drivers used in the 1987 Open here at Olympic and the metal drivers that Tiger Woods and the other touring pros are using in this Open.

Fay said: "We don't believe that the spring-like effect in clubs that are presently in use have lessened the skill required to play the

game at championships such as the U.S. Open or at the recreational level. With an eye to the future, we have a responsibility to set objective, clearly understood standards that anticipate emerging technology."

The concern, said F. Morgan Taylor Jr., the USGA president, is "what's around the corner," not what's in your corner discount store or club pro shop.

What may be around that corner is what is known in Japan as "the Yamaguchi patent." Owned by Dunlop, it produces what is known as "impedance matching of club and ball."

That's high-tech talk for a spring-like effect that would add distance, perhaps beyond whatever standard the USGA defines in the next few weeks before its meeting with club manufacturers.

"There are a lot of people that have an aerospace or high-metal technology background now involved in golf," added Taylor, who was once a Princeton football player.

"Our own consultants, who are pretty wise in these matters, have suggested there are certain materials which may create a problem."

That's why the USGA intends to draw a

line not on titanium but on the high-tech metals on the horizon. Plutonium? Uranium?

But for whatever extra distance the high-tech metals create, they won't change the essence of better scoring: putting.

"You still have to put," said David Duval, who has won five PGA Tour events since October.

And the USGA standard won't diminish golf's research and development. Ely Callaway, who popularized the Big Bertha, the Great Big Bertha and the Biggest Big Bertha drivers, looked to the eventual standard as a challenge.

"It will increase research and development," Callaway said, "because whatever further restrictions do come, we need to be more ingenious."

During the USGA news conference, John Daly, wearing a Callaway cap, stood in the back and listened. Hardly a disinterested bystander, he is No. 1 on the PGA Tour in driving distance with a 297-yard average on the measured holes.

"I don't understand any of this," Daly said.

But Daly understands that he can still tee off with his Biggest Big Bertha and that is all he cares about. And that is all any golfer with a titanium club cares about.

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SEATTLE VS. NEW ZEALAND
THURSDAY IN TORONTO
New Zealand 281-4 (30 overs)

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WORLD CUP BRIEFS

Thieves Take Cash And Tickets in Paris

About 15,000 presold World Cup tickets were stolen from the Paris office of Prime Sports International, a spokesman for the tour operator said.

A spokesman for the Paris police had no immediate comment on the theft.

The company, which also said that 3.3 million French francs (\$550,000) were stolen from its safe in the burglary Wednesday night, said it was offering a "no-questions-asked" reward of 1 million francs for the return of the tickets.

The World Cup Organizing Committee, the CFC, said that Prime Sports International was an official ticket handler. The missing tickets were for all matches, from the France-South Africa game Thursday in Paris through the July 12 final.

"These tickets are useless to the thieves because they bear all the numbers and names attributed to them by the CFC, but they are important to our reputation," said Steve Yovetich, a spokesman for Prime Sports International.

All World Cup tickets bear the name of the buyer and are non-transferable. Yovetich said that anyone who buys the tickets and tries to enter the stadium using them would be charged as an accomplice. (Bloomberg)

Victory for Marseille Bars

French authorities dropped plans Wednesday to force bars in Marseille to close early over the weekend after complaints from local bar owners.

Marseille's regional prefect, Jean-Paul Proust, had ordered all bars and cafes to close at 11 P.M. from Friday to Sunday after drunken English World Cup fans rampaged through the city last weekend. Netherlands and South Korea play Saturday in Marseille. (AFP)

Standard Liege Hires Ivic

Tomislav Ivic, a Croat who was fired by Iran as coach last month after a disappointing run in World Cup warm-up games, has signed a three-year contract with Standard Liege in Belgium's first division.

Standard's manager, Pierre Delahaye, confirmed the hiring of Ivic on Thursday but gave no further details. Ivic succeeds his compatriot Luka Peruzovic, who took over from Daniel Boccia, a Belgian, three months before the end of the season.

Ivic was hired by Iran in January after the national team had narrowly qualified for the World Cup finals. But he was dismissed in May and replaced by an Iranian, Jalal Talebi, after a humiliating 7-1 loss to AS Roma. Ivic also has coached at Ajax Amsterdam, Paris Saint-Germain, Olympic Marseille and Anderlecht. (Reuters)

Quote/Unquote

"We thanked him for his concern but the decision remains unchanged."

— Alvaro Fina, president of the Colombian Football Federation, after his country's president urged him to keep Faustino Asprilla on the World Cup squad.

"It was purely a professional disagreement."

— Dunga, Brazil's captain, who had to be restrained by teammates during a dispute with the Brazilian forward Bebeto in the game with Morocco.

U.S.-Iran Tactics: Ignore the Past

Players and Coaches Aim to Kick Politics and Stereotypes Into Touch

By Jere Longman
New York Times Service

YSSINGEAUX, France — Jalal Talebi, who was appointed May 21 as Iran's fourth national soccer coach in the past seven months, has kept a residence for 17 years in the San Francisco Bay Area. His wife, Sira, owns a skin-care business and a vegetarian restaurant near Stanford University. His two oldest sons attended college in the area, and his youngest son, 17-year-old Bardia, is an accomplished soccer player who hopes to play at UCLA.

Although he met Steve Sampson, the U.S. coach, only once for a brief moment, the two men actually coached at different times at the same junior college in the Bay Area.

Such familiar suburban existences have significantly undercut the stereotypes surrounding the World Cup meeting this Sunday between Iran and the United States, initially viewed as a battle of ideologies between the forces of the Great Satan and the conservative clerics who ritualistically call for "Death to America."

From the moment the match was announced in December, the game was as intriguing for the expected nationalistic and political tension as it was for the outcome on the field. And as the game approaches, there is no avoiding the political component in the first soccer match between these two countries.

On Thursday, President Bill Clinton said that Iran, "is changing in a positive way" and the United States seeks "a genuine reconciliation."

"What we want is a genuine reconciliation with Iran based on mutual respect and reciprocity and a sense the Iranians are prepared to move away from support of terrorism and distribution of dangerous weapons," he said.

On Tuesday, Iranian exile groups opposed to the Islamic regime threatened to disrupt the game. Meanwhile, an insulted Iranian team continued to protest the airing Monday on French television of an American movie that harshly depicts fundamentalist life in Iran.

But both teams are largely playing down the 20 years of bad blood between the countries. In fact, there are as many similarities and shared aspirations as there are differences between the two teams seeking international respect as soccer-playing nations.

"I am not a political man, I am a sportsman," Talebi, a 53-year-old Iranian native, said Wednesday here at Iran's training camp southwest of Lyon, where the game will take place. "We came here to show everyone there is no problems between people of two countries."

Talebi left Iran in 1980, a year after the Islamic revolution redefined Iranian society under the strict rules of fundamentalism and soccer was abandoned. As a coach, he said he had to look for work elsewhere, so he sent his wife and three sons to the United States to stay with a friend and he became a soccer vagabond, coaching in the United Arab Emirates, Dubai and Malaysia, as well as at two junior colleges in northern California. The 1994 World Cup came virtually to his doorstep in Palo Alto, California, and he sat and watched in the stands at Stanford University.

None of the family members is a U.S. citizen, but Talebi said they are legal residents. Sira Talebi, his wife, said Tuesday from Palo Alto that her American friends were excited about the games Sunday, but hardly for political or nationalistic reasons.

"All my friends just want to see my husband on TV," she said.

She has put up no team pictures or Iranian flags at her store, she said, because she did not want to make a political statement. "It is a friendly game," she said.

It is also an important game for both teams, which lost their opening matches and are in desperate need of victory. The Americans will not consider their World Cup a success unless they advance beyond the first round of group play. And after a 2-0 loss to Germany on Monday, they cannot achieve their goal without beating Iran. So they need a victory for victory's sake.

Most of the American players are so young, Sampson said, that they have "no idea" of the suffering of American hostages who were taken captive at the U.S. Embassy in Tehran in 1979 and held for 444 days.

WHEN asked about the political overtones of the match Sunday, midfielder Tab Ramos said: "I don't think we really care about that. I think that's more important to them than us. I haven't heard anyone say, 'Let's beat Iran, let's do it for Bill Clinton.'"

The Iranians, by contrast, were the last team to qualify for the 32-team field. This is their first appearance in the World Cup in 20 years, and there was never any real chance of advancing to the second round, especially not after their 1-0 loss to Yugoslavia on Sunday and with a game remaining against three-time world champion Germany.

Still, the Iranians want to win against America because this is the one game they believe they can win.

Even before President Clinton's remarks, Mohammed Khatami, the relatively moderate president of Iran, had

called for cultural exchanges between the two countries to break down a "wall of mistrust," and many Iranian fans and players said they hoped this match would improve relations. Some said they hoped soccer diplomacy might do what ping-pong diplomacy did for relations between China and the United States almost three decades ago.

"We don't have any problems with the United States players," said Alireza Mansourian, an Iranian midfielder. "We want to find new friends."

Still, politics inevitably keeps bubbling to the surface. After Iranian wrestlers were held up in customs on a visit to the United States this spring, Iran prevented the Americans from scouting a pre-World Cup tournament in Tehran. Sampson said.

"We will not lose the game," Khodadad Azizi, the top Iranian forward and the Asian player of the year in 1997, said during a pre-World Cup tournament in Tehran. "Many families of martyrs are expecting us to win. We will win for their sake."

Azizi said Monday it was "imperative" that Iran win the match, which he called "the most important of my life."

A group of exiled Iranians who played in the country's last World Cup team, in 1978, said at a news conference in Paris last week that they believed the game Sunday would have little effect in improving diplomatic relations.

The players accused the fundamentalist regime of killing in 1984 the captain of the 1978 team, Habib Khabiri, for political reasons.

And they said they believed that conservative clerics who hold ultimate power in Iran will use the game for propaganda purposes.

Another political brushfire broke out this week, when French television showed the movie "Not Without My Daughter," starring Sally Field and depicting the true story of an American woman who left Iran with her daughter against the wishes of her Iranian husband.

Talebi called the movie "insulting" and accused the private French network that broadcast it of deliberately trying to rile political waters.

Two decades after the Islamic revolution, soccer has been revived as a great secular passion in Iran. Millions took to the streets in spontaneous demonstration after Iran qualified for the World Cup in November and an estimated 5,000 women pushed their way into the national stadium, where they are normally forbidden, to greet the team on its return from a playoff match in Australia.

But the team has been in chaos since, having had four coaches in the past seven months. The Iranians prefer an open, Brazilian style featuring individual flair, and when the defensive tactics of a Croat named Tomislav Ivic failed to produce desired results, he was dismissed and Talebi was hired three weeks before the World Cup began.

Talebi's newly fashioned team attacked assertively, played cohesively and committed 30 fouls with hard tackling against Yugoslavia, eventually losing 1-0.

Iran is preparing for the match Sunday in the small town of Yssingaux, which has housed the team in a castle that now serves as the National Higher College of Bakery.

Iran's top three players — the forwards Azizi and Ali Daei and midfielder Karim Bagheri — all play professionally in Germany's highly regarded Bundesliga.

Before the match last weekend against Yugoslavia, the Iranian players presented their opponents with roses. Talebi said his team would make a similar gesture of friendship and sportsmanship with the U.S. players. "I promise, there will be a surprise," the coach said.

As he drove away, Talebi added: "Please don't make it too big for us. This is a game. A game."



Cameroon's Raymond Kalla Nkongo, right, being sent off against Italy.

Why Some Referees Trip On Tough Tackling Rules

By Peter Berlin
International Herald Tribune

PARIS — Before he flashed the red card, referee Lennie Edwards's World Cup must have flashed before his eyes.

One day after Sepp Blatter, the president of FIFA, the world soccer's governing body, had told referees to toughen up on tackles from behind, Edwards had gone soft on a particularly ferocious one.

Cameroon was already trailing Italy, 1-0, in its Group B game in Montpellier on Wednesday night when Pierre

VANTAGE POINT

Njanka plowed into Roberto Baggio, Italy's star player, from behind, flipping Baggio in the air.

Before the World Cup, Blatter, who tends to see the tackle from behind as the root of all soccer evil, had urged referees to show the red card. FIFA made a video to show referees what was wanted.

If there is a sequel to the video, Njanka's tackle should be on it and would merit an X certificate.

After the foul, Edwards allowed play to go on while an Italian attack developed and Baggio, a well-known writher, did some writhing.

There were reasons for avoiding a red card. It would leave Cameroon playing catch-up with just 10 men for more than an hour. It would stir up controversy.

When the ball went in to touch, Edwards summoned Njanka — and showed him only a yellow card. Njanka stayed on the field.

Edwards surely knew that FIFA is less forgiving. Referees who have ignored FIFA's get-tough directives in recent World Cups have found that they, like the weaker teams, are eliminated after the first round.

Just before halftime, Raymond Kalla Nkongo planted all his studs on the thighs of Luigi Di Biagio and Edwards swiftly brandished the red card.

It was a tackle from in front rather than behind and Kalla had committed himself to it long before Di Biagio inconveniently lay down right in Kalla's landing zone. Some, including Kalla, felt the punishment was harsh.

"I was stunned," said Kalla, who had not yet committed a foul in the match. "I mean the first thing I touched was the ball. I've never gotten a red card before, not even in a club match."

On Thursday, Di Biagio denied that he was play-acting.

"The only thing I can say is that I didn't fake injury," he said at Italy's

training base.

While Kalla's foul was not as bad as Njanka's, the vast majority of referees would have shown him at least a yellow card and many would have shown red.

World Cup talk has been "so dominated by the tackles from behind that it is easy to forget that there are plenty of other forms of violent play that merit severe punishment. A tackle involving not one but both sets of studs is one of those. Kalla may have been a little unlucky where he landed after a wild leap, but he was heading for a card of some color as soon as he took off. He may have intended to win the ball, but although the word "intent" crops up in the soccer's laws, referees are not mind readers and have to go on what they see. What Edwards saw was ugly.

FIFA implicitly endorsed the red card Thursday by suspending Kalla for two matches instead of the normal one.

John Jairo Toro Rendón, the referee for the match between Denmark and South Africa on Thursday, certainly seems to understand what FIFA wants; he handed out three red cards.

If the Cameroonians always play like this at home, how is it they have 22 fit players to form a World Cup squad?

Perhaps the answer is that, although many earn a living in European leagues, for much of their lives, like many in hot countries, they often play in bare feet. The sole of a bare foot, even one not used to shoes, inflicts little damage.

Expensively shod for the World Cup, the Cameroonians have shown a particular taste for exotic, colored boots.

Kalla's sending-off was a reminder that whatever color the uppers, in a referee's eyes the studs on the sole of boots are always, quite rightly, yellow or red. A player who shows them in the tackle is likely to injure and should expect to see a colored card.

Indeed, when it has finished making videos, FIFA might turn its attention to designing sports apparel and order the manufacturers to paint the soles of boots red as a handy visual reminder.

It might also suggest paper shirts — some of those in the World Cup are so skimpy they are almost paper anyway.

The more worldly pros from Europe, South America and Africa adjusted in advance to FIFA's promise to stamp down on tackles from behind. They have been stopping opponents by clutching, grabbing and pulling. The curse of this World Cup has been grasping hands. Paper shirts that came off in those hands might help the attackers break free and the referees identify the offenders.

And referees need all the help they can get.



Mohammed Khakpour of Iran enjoying a respite from training Thursday.

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Bulgarians Aim to Exploit 'Weakness' in Nigeria Defense

The Associated Press

Bulgaria vs. Nigeria, Paris, 5:30 P.M. Ask Taribo West what he thinks about Bulgaria and the Nigerian defender drops his tough-guy demeanor. "They're the same as four years ago," West said, "but older."

The two countries play Friday in a rematch of a group game at the 1994 World Cup, when the quicker, slicker Nigerians cruised to a 3-0 victory.

Against Paraguay, Bulgaria used seven players who are 30 or older. But Hristo Bonev, the Bulgarian coach, does not think much of the Nigerian defense in which West plays. He called it Nigeria's "weak point."

"Winning that first match helps,"

said Bora Milutinovic, the Nigerian coach. "A lot depends now on how you control your emotions. No one can put pressure on you if you don't want it."

Emil Kostadinov, who came off the bench against Paraguay, may start for Bulgaria. In his last trip to the Parc des Princes, on the last day of European qualifying for USA '94, Kostadinov scored twice in a 2-1 defeat of France.

Marian Hristov looks set to fill in at right back for Anatoli Nankov, who received the first red card of the tournament. In addition, midfielder Ilan Iliev is fighting a hamstring injury and might be ruled out.

Spain vs. Paraguay, Saint-Etienne, 9:00 P.M. Spain and Paraguay meet for the first time ever, both desperate for a victory.

Spain is at the bottom of Group D with no points after a 3-2 defeat by Nigeria. The loss was only Spain's second in 35 games.

Paraguay boasts one point from its scoreless tie with Bulgaria. Its final group match is against Nigeria next Wednesday.

"It will be a difficult match for both," said Jose Luis Chilavert, the Paraguayan goalkeeper. "But I think it will be more so for them because they have to win. Otherwise they go home."

"They also need to win if they are to qualify," said Miguel Angel Nadad, the Spanish defender. "I think we're in the same boat, although Spain, if it plays well, is the superior team."

The Spaniards this week confessed to knowing little about Paraguay beyond a video of the Bulgarian game. Nadad, with a minor calf problem, is Spain's only injury concern, while Paraguay looks certain to be without Celso Ayala because of a hip injury.

The South American side, however, should be able to count on right winger Francisco Arce, who missed the game against Bulgaria with a thigh injury.

4-0 Victory For France As Saudis Bow Out

PARIS — France's 4-0 victory over Saudi Arabia in the World Cup quarterfinals on Thursday was a historic moment for the French national team, marking their first victory in a World Cup knockout stage match since 1982.

The match was a tactical masterclass for France, with the team dominating possession and creating numerous chances. The Saudis, on the other hand, struggled to keep the ball and were overwhelmed by the French attack.

The victory sends France into the semifinals, where they will face the winners of the match between the Netherlands and South Africa. The Saudis are eliminated from the tournament.

The match was held at the Stade de France in Paris, and the atmosphere was electric. France's fans were in high spirits, celebrating their team's success.

The Saudis' defeat is a significant setback for them, as they were expected to perform well in the tournament. They will be looking to bounce back in their next match.

The World Cup continues to be a global event, with millions of fans watching the matches on television. The tournament is a showcase of the best talent in world football.

The French team's performance in this match has solidified their status as one of the favorites to win the tournament. They will be looking to continue their winning streak in the upcoming matches.

The Saudis' coach will be looking to analyze the game and make adjustments for their next match. They will need to improve their defense and create more opportunities to score.

The World Cup is a testament to the power of football and the passion of fans. It is a time when the world comes together to watch the best players in the game compete for the ultimate prize.

The French team's victory is a testament to their skill and teamwork. They have shown that they are capable of performing at the highest level when it matters most.

The Saudis' defeat is a reminder that football is a game of many turns. They will need to stay focused and determined to make a comeback in their next match.

The World Cup is a time of great excitement and anticipation. Fans are looking forward to the next round of matches and the possibility of seeing their favorite teams advance.

The French team's victory is a source of pride for the entire country. It is a moment that will be remembered for years to come.

The Saudis' defeat is a disappointment, but it is also a learning experience. They will use the feedback from this match to improve themselves for the rest of the tournament.

The World Cup is a time when the world's best players come together to compete for the ultimate prize. It is a time of great achievement and glory.

The French team's victory is a testament to their hard work and dedication. They have shown that they are worthy of the honor of representing their country on the world stage.

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WORLD CUP

4-0 Victory For France As Saudis Bow Out

The Associated Press

PARIS — France became the second team to qualify for the second round of the World Cup, beating Saudi Arabia, 4-0, Thursday in a game that featured two ejections.

It was a hitters-victory for the French, who lost striker Christophe Dugarry with a torn hamstring and had his most talented player, Zinedine Zidane, ejected as part of a wave of red cards that hit the tournament Thursday.

Zidane will be automatically suspended for France's next match against Denmark, a game that could decide seeding for the second round.

With the defeat, Saudi Arabia became the first team to be eliminated from contention for the second round. The Saudis lost to Denmark, 1-0, last week, while France beat South Africa, 3-0.

Thierry Henry scored in the 36th and 77th minutes; David Trezeguet, who took Dugarry's place, got a goal in the 68th; and Bixente Lizarazu in the 85th. The first two goals came when the French were playing 11-on-10, after the ejection of the Saudi defender Mohammed Khilawi in the 19th minute.

Khilawi's red card was given for a tackle on Lizarazu as the French defender raced after the ball down the left sideline. The tackle looked spectacular because of the speed of Lizarazu, who tumbled and nearly landed on a bird on the grass beyond the end line.

Zidane was expelled for stepping on Fuad Amin's hip after he tackled the Saudi midfielder in the 70th minute.

The tough stand by the Mexican referee, Arturo Brizio Carter, came one day after Sepp Blatter, the president of FIFA, soccer's governing body, and Michel Platini, chairman of the World Cup organizing committee, said referees were not following a prearranged dictate that rough play — especially tackles from behind — be severely punished.

Dugarry tore his hamstring in the 30th minute when he pulled up lame trying to play the ball near the Saudi penalty area. France also played without striker Stephane Guivarch, who has a strained right knee.



South Africa's David Nyathi, left, kicking the ball away from Denmark's Brian Laudrup in a game Thursday.

Cards Galore as Denmark Ekes Out Tie

The Associated Press

TOULOUSE, France — Denmark survived a card-strewn battle with South Africa to get a 1-1 draw Thursday and move within sight of the second round of the World Cup.

The draw gave Denmark a total of four points, moving it atop Group C pending the outcome of the match Thursday night between France and Saudi Arabia. The result left South Africa's hopes mathematically alive, but it has little realistic chance of advancing.

Denmark ended the match playing nine-on-10 after John Jairo Toro, the Colombian referee, ejected Danish substitutes Miklos Molnar in the 67th and Morten Wieghorst in the 85th — only three minutes after the latter entered the game.

Alfred Phiri of South Africa received a red card two minutes after Molnar in a game which, in addition to the three

reds, saw seven yellows issued. Alan Nielsen had given the Danes the lead with a far-post volley in the first half.

South Africa tied the match in the 53d minute.

But the second half degenerated into series of fouls, leaving little opportunity for serious chances.

Benny McCarthy scored South Africa's first World Cup goal in its

DENMARK 1, SOUTH AFRICA 1

history when he ran onto Shaun Bartlett's backheel touch off a pass from John Moshoeu.

McCarthy received the ball between Jes Hogg and Soren Colding and rolled the ball between the legs of Danish keeper Peter Schmeichel.

South Africa came close in the dying seconds when Quinton Fortune blasted a ball from the top of the penalty area off the crossbar.

Denmark dominated the first half but missed its chances to put the game away, twice striking the goalpost.

Nielsen volleyed Brian Laudrup's cross in at the far post in the 13th minute to give Denmark the lead.

Denmark came within centimeters of a second goal on a corner by Martin Jorgensen, whose in-bending kick floated over Vonk and banged off the far post.

The rebound came to Laudrup, who put a diving header from six meters into the stomach of a sprawled Vonk.

Denmark hit the same post again in the 42d when Ebbe Sand ripped a right-footed shot from the top of the penalty area.

South Africa's best chance came in the 28th minute when McCarthy sent in a rolling cross off a busted play through the goal box, but an onrushing Helman Mkhalele could not get his foot to it to poke it in.

Son Sends a Message To Goalkeeper Dad

As Spanish Eyes Bear Down on Zubizarreta

By Rob Hughes
International Herald Tribune

SAINT-ETIENNE, France — Andoni Zubizarreta, the very picture of despair around the Spanish camp in Chantilly since he gave Nigeria a gift goal in their match last week, was called to the telephone.

"Hey Papa," he was greeted, "whatever you do, don't let Chilavert score against you in Saint-Etienne." Maybe for a second Zubi thought his son, a blossoming 14-year-old goalkeeper in Valencia, was adding to the burden of criticism. Then it dawned: The boy was giving his dad a message: Stop looking back, stop looking down. The next challenge is coming.

Zubizarreta Jr. had heard — didn't we all? — how that haggard Jose Luis

cause, at 36, not even goalkeepers are invulnerable to the aging process.

Was it coincidence that Zubizarreta's faux pas — mistiming his move at the near post and pushing a tame center from Garba Lawal across his own goal line — came just a few months after Spain played in the game that inaugurated the Stade de France in January and Zubi allowed a shot to slip through his hands?

It was cold that night, possibly numbing for a goalkeeper. It was warmer, but damp, in Nantes when the Nigeria goal went in and the seeds of doubt were sown about Spain's goalkeeper.

Is Zubi what he was? Are his eyes as keen, his reflexes as sharp, his body as supple or as agile as they need to be at this level?

These are terrible questions to ask, and I'm hoping that Old Zubi proves me wrong Friday in Saint-Etienne. I hope, in goalkeeping parlance, that he keeps a "clean sheet" — which means the ball never crosses his line, but I do hope that Chilavert does have a real chance to score because it is out of the ordinary when goalies try to beat goalies.

It's also the good guy versus the bad. Zubizarreta has not, to my knowledge, spat in the eye of an opponent, as Chilavert did to Colombia's Faustino Asprilla, causing a brawl that cost the Paraguayan goalkeeper a four-match suspension last year.

THERE will be clashing personalities between the goalposts Friday night. But the contest will not rest exclusively on them.

While Zubizarreta took all the flak for Spain's loss — and too few Spaniards acknowledged the indomitable spirit with which Nigeria twice came back from a goal down — Raul Gonzalez, the young prince of Madrid soccer, took plaudits for one smart goal but largely escaped criticism for missing three more opportunities.

If such chances come again Friday, and if Gonzalez nets them against Paraguay, the goalkeeper story will be almost irrelevant. But not to a boy in Valencia.

Papa, don't let that man shoot you down.

Rob Hughes is Sports Correspondent of The Times of London

WORLD CUP SCOREBOARD

FIRST ROUND

GROUP A	W	T	L	GF	GA	Pts
Brazil	2	0	0	5	1	6
Nigeria	0	2	0	3	2	2
Scotland	0	1	1	2	3	1
Morocco	0	1	1	2	5	1

JUNE 10, IN ST. DENIS

Brazil 2, Scotland 1
Nigeria 1, Morocco 0

JUNE 11, IN ST. DENIS

Brazil 1, Nigeria 1
Scotland 0, Morocco 0

JUNE 12, IN ST. DENIS

Brazil 1, Nigeria 1
Scotland 0, Morocco 0

JUNE 13, IN ST. DENIS

Brazil 1, Nigeria 1
Scotland 0, Morocco 0

GROUP B	W	T	L	GF	GA	Pts
Italy	1	1	0	5	2	4
Chile	0	2	0	3	3	2
Austria	0	2	0	2	2	2
Cameroun	0	1	1	1	4	1

JUNE 11, IN BORDEAUX

Italy 1, Chile 0
Austria 1, Cameroun 0

JUNE 12, IN BORDEAUX

Italy 1, Austria 0
Chile 0, Cameroun 0

JUNE 13, IN BORDEAUX

Italy 1, Chile 0
Austria 1, Cameroun 0

GROUP C	W	T	L	GF	GA	Pts
Denmark	1	1	0	3	2	3
South Africa	0	2	0	3	3	2
France	0	1	1	1	1	1
Paraguay	0	1	1	1	1	1

JUNE 12, IN BORDEAUX

Denmark 1, South Africa 1
France 0, Paraguay 0

JUNE 13, IN BORDEAUX

Denmark 0, France 0
South Africa 1, Paraguay 1

JUNE 14, IN BORDEAUX

Denmark 0, France 0
South Africa 1, Paraguay 1

GROUP D	W	T	L	GF	GA	Pts
Germany	1	0	0	2	0	2
Yugoslavia	1	0	0	1	0	2
Iran	0	1	0	1	1	1
United States	0	0	1	1	2	0

JUNE 14, IN ST. ETIENNE

Germany 1, Iran 0
Yugoslavia 1, United States 0

JUNE 15, IN ST. ETIENNE

Germany 1, Yugoslavia 0
Iran 0, United States 0

JUNE 16, IN ST. ETIENNE

Germany 1, Iran 0
Yugoslavia 1, United States 0

GROUP E	W	T	L	GF	GA	Pts
Romania	1	0	0	2	0	2
Colombia	1	0	0	1	0	2
Costa Rica	0	1	0	1	1	1
Japan	0	0	1	1	2	0

JUNE 15, IN LYON

Romania 1, Colombia 0
Costa Rica 0, Japan 0

JUNE 16, IN LYON

Romania 0, Colombia 0
Costa Rica 0, Japan 0

JUNE 17, IN LYON

Romania 0, Colombia 0
Costa Rica 0, Japan 0

GROUP F	W	T	L	GF	GA	Pts
Argentina	1	0	0	2	0	2
Sweden	1	0	0	1	0	2
Croatia	0	1	0	1	1	1
USA	0	0	1	1	2	0

JUNE 16, IN LYON

Argentina 1, Sweden 0
Croatia 0, USA 0

JUNE 17, IN LYON

Argentina 0, Sweden 0
Croatia 0, USA 0

JUNE 18, IN LYON

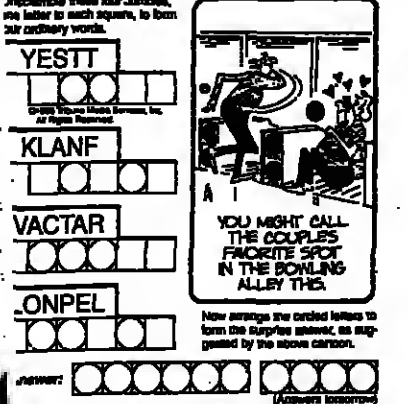
Argentina 0, Sweden 0
Croatia 0, USA 0

DENNIS THE MENACE



"SOMETIMES IT DOESN'T COME BACK BY ITSELF, SO I'VE GOT TO KICK AS BACK!"

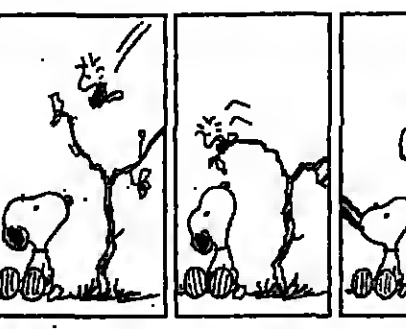
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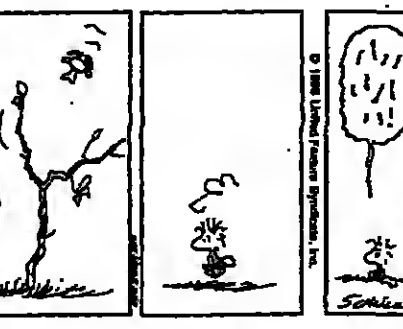
BEETLE BAILEY



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CALVIN AND HOBBS



WIZARD of ID



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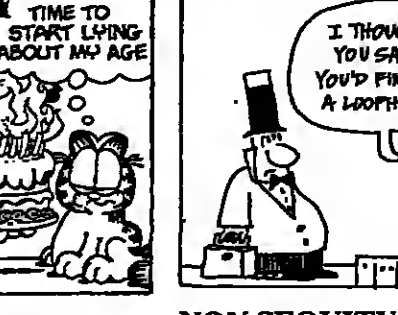
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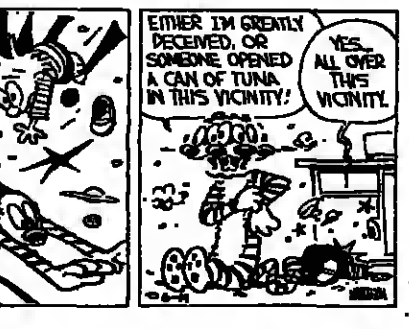
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DOONESBURY



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WIZARD of ID



NON SEQUITUR



DOONESBURY



POSTCARD

The People's Choices

By Craig R. Whitney
New York Times Service

PARIS — Zagat Survey's first Paris Restaurant Guide has arrived at newsstands and bookstores here, introducing French readers to the novel idea that customers can rate restaurants just as well as Michelin's and Gault Millau's authoritative inspectors.

And surprise — the 1,710 diners (out of 20,000) who returned the questionnaires Zagat used for its ratings put the venerable Taillevent at the top of their list, both for its cuisine and for being a "favorite" restaurant.

Michelin, which awarded Taillevent and five other Paris restaurants its top three-star rating this year, might also be surprised to find two restaurants to which it gave only two stars, Guy Savoy and Faugeron, among the top six of the 40 that Zagat's Parisian respondents rated as having the best food in the capital.

Alain Ducasse, the sensation of the French culinary world since Michelin awarded three stars this year to two of his restaurants, in Paris and in Monte Carlo, came in fifth for his cooking in Zagat's rating and sixth as favorite restaurant, a category Michelin does not have.

"I don't agree with the choices, though I think the guide is a good idea," Ducasse said. "I don't think it can be truly accurate. My restaurant has room for only 50 people. A restaurant that has 100 could get twice as many votes as I do."

Zagat says that its statistical averaging methods can take care of that, but Jean-Claude Vrinat, the proprietor of Taillevent, where Philippe Legendre is the chef, had an-

other worry about his top ratings. "Now I have to try to keep them," he fretted.

For the most part, critics here and elsewhere in Europe seem to agree so far. Costing 69 francs, a little more than \$11, the Zagat covers 825 restaurants in Paris, 300 more than Michelin.

Zagat may shuffle around the places that Michelin's authoritative inspectors place at the top of the firmament, but all 10 of Zagat's top-rated restaurants for food have two or three Michelin stars, suggesting that customers probably found these places by using traditional guides.

"About 96 percent of our respondents answered in French, which we assume means they are French, not Americans," said Nina Zagat, a New York lawyer who with her husband, Tim Zagat, started the guides in 1982.

Beauvilliers in Montmartre, the Paris Zagat says, is "romantic" and "overflowing with flowers" for some, but "pretentious" and "odiously expensive" for others. Chez l'Ami Louis, which isn't even in the Michelin guide, is frequented, Zagat says, by "people with big appetites and Americans," consuming "enormous portions" and paying equally big prices.

Prices, the Zagats say, are higher in Paris than in any of the other 45 cities that their guides cover, an average of \$48 a person for a meal, including wine and service, compared with \$43 in London and \$31 in New York City.

The top 10 in Paris are, in order: Taillevent, L'Ambrassie, Arpege, Guy Savoy, Alain Ducasse, Faugeron, Lucas Carton, Pierre Gagnaire, Michel Rostang and Grand Vefour.

Life After Death for a Japanese Rock Star

By Neil Strauss
New York Times Service

TOKYO — "And jumping into the No. 1 spot this week," announced Hiroshi Morita from the studios of NHK radio here last week, "is 'Pink Spider' by Hide. As you may already know, Hide is the former guitarist of the group X Japan who shocked his fans by committing suicide recently."

The studio began to buzz with murmuring. "His record company says it was an accident," said one engineer, as those around him laughed.

Another said: "The label also says it's sticking with Hide's original release plan." More laughter.

At newsstands, Hide's face graces the cover of almost every music magazine; in shopping districts, outfits like his sell for several hundred dollars; on television, his videos are repeated as often as commercials, and in record stores his singles are everywhere.

Below "Pink Spider" in the Top 10 was a previous Hide single, "Rocket Dive," and this week "Pink Spider" was knocked out of the No. 1 slot by another single, "Stay Free," also by Hide.

In just a few weeks, pop culture in Japan had gone from mourning Hide's death to consuming it. Hide (pronounced Hee-DAI) was the intensely charismatic guitarist in X Japan, one of the country's first and most successful independent-label rock acts (though the band later signed with a major label) and the first Japanese rock band to sell out the 50,000-seat Tokyo Dome.

Since it formed in the mid-1980s, X Japan went from playing loud, fast thrash-metal to stadium-shaking pop ballads, in the process pioneering its own genre, a Japanese equivalent of glam rock known as "visual kei."

For visual kei bands, outrageous, usually androgynous looks — goths of makeup, hair dyed and sprayed in ways that made Mohawks look conservative, and a small fortune spent on leather and jewelry —



Fans of the rock group X Japan arriving at the funeral service in Tokyo for Hide.

were as important as music (or, in many cases after X, more important than music). When X members followed in the steps of American hard-rock bands like Metallica and cut their hair in the '90s, thousands of Japanese girls wept openly in the streets.

X actually signed with Atlantic Records in the United States, but the band never released an album at home. It broke up late last year, and Hide began to emerge from the shadow of the band's most popular member, the drummer Yoshiki, who released a classical album with the Beatles' producer George Martin and the London Philharmonic Orchestra.

With a blossoming solo career, everything seemed to be going well for Hide until May 2, when he was found dead in his apartment, a tow-

el looped around his neck and tied to the bathroom doorknob. Within a week, five teenage Japanese girls had tried to kill themselves while playing X music or wearing X merchandise. Three succeeded.

At his funeral, 50,000 young fans mobbed the streets. By the day's end, about 60 of them were taken to hospitals, and nearly 200 received medical treatment in first-aid tents after passing out or injuring themselves. One girl tried to slit her wrists with a plastic knife. "Please do not follow him," urged the surviving members of X. "Do not commit suicide. Send him off to heaven warmly."

Bryan Burian-Lewis, a radio- and video-show host who toured with Hide as a disk jockey, said the funeral was the most crowded ever for a postwar Japanese musician,

which was surprising considering that hardly anyone over 30 knew who he was.

"The wake was sad," he remembered. "I was sitting in there for two hours, and all you heard outside was kids screaming from the bottom of their stomachs. They sounded like demons. In Japan, the image that we have of the X audience is rural kids going through a rebellion phase. They put their life into being X fans. They dress like it, they breathe it, they all talk about how he gave them something to live for."

"A lot of what Hide did was grotesque. He talked about suicide in his records for five years. But the fans who followed him always knew there was a Hide behind that who was a very solid character. He was very outspoken

about freedom and doing what you want, and he took on a fan who had a rare bone marrow disease as a personal crusade.

While the authorities decided that Hide killed himself, his friends and former band members said they felt certain it was not suicide, despite the dark lyrics of some X and Hide songs. Most remembered Hide as a character who would go out of control when he was drunk, often getting himself into some sort of trouble and then claiming not to remember a thing the next day. His death in this strange circumstance, they said, was a drunken accident.

"I saw him a few days before he passed away, and I had no indication from him that anything was wrong other than that he was exhausted," said Paul Raven, an English musician who played bass in Killing Joke and Prong. Raven had recently formed an industrial hard-rock band with Hide called ZikZak. Its debut album will be released in Japan on July 23 and features former members of Nine Inch Nails and the Cult.

"He was under a lot of pressure to finish his solo record," Raven continued. "He had three songs completed the day before he died, and now mysteriously a full album is coming out nine days before ours."

In some ways, Hide was reminiscent of Kurt Cobain of Nirvana, who killed himself in 1994, although Hide had a less bleak worldview. Hide, like Cobain, said he felt like a marginal alternative-minded figure trapped in the image of a pop star. He despised the music business and wanted to change it; he represented a generation of fans who felt alienated, and his death represented the end of a genre.

"To a certain extent, Hide's death means the end of an era," said Steve McClure, Tokyo bureau chief for Billboard, the music-industry magazine. "X were the first generation of visual kei bands; but the ovelty has worn off. For the next generation of bands, it's like: 'That's it. The torch has been passed to us.'"

PEOPLE



Steve Sires, a.k.a. Bill Gates of Microsoft, outside the company's offices.

A MAN convicted of stalking the director Steven Spielberg was sentenced to 25 years to life in prison after the director told the judge, in Santa Monica, California, that he feared for his life. "If he's out on the street, I will live in fear," Spielberg said of Jonathan Norman who was convicted in March of plotting to break into Spielberg's mansion, hold him and his family hostage and rape him.

President Bill Clinton and his wife, Hillary, were the hosts of this year's Pritzker Architecture Prize dinner, in celebration of the award's 20th birthday — and of architecture's role in shaping civilization in the next millennium. The Italian architect Renzo Piano was awarded the \$100,000 Pritzker prize. It was the first time that the prize was given at the White House.

A painting by Prince Charles was sold for \$7,500 at an auction in Manhattan to benefit the New York Academy of Art. Bidding for the watercolor landscape of Hong Kong harbor opened at \$4,000 and quickly rose before it was sold to Peter Thomas Roth of Manhattan. "I always wanted to buy another one of his artworks, a castle, and I never did," Roth said. The eighth annual Take Home a Nude auction featured more than 250 works that had been donated by such artists as Eric Fischl, Julian Schnabel and Kenny Scharf.

Steve Sires looks enough like Bill Gates to fool folks by the roomful. With his wire-rimmed spectacles, tousled hair and boyish expression, Sires draws stares in restaurants and gets requests from strangers for tips on Microsoft stock. Sires so far is taking his serendipitous celebrity in stride. "It hasn't gotten to the point of being irritating yet," he said. Sires' wife, Pam, pointed out his uncanny resemblance to

the head of Microsoft 10 years ago, and encouraged her husband to turn it to his advantage. She called Entco International, based in Lynnwood, Washington, a company that helps corporations plan meetings and other events and was seeking a Gates look-alike. Sires began working with Entco in February and has made a handful of appearances so far at business parties and ribbon-cutting ceremonies. But he's one of the agency's star attractions, along with a George Burns look-alike and a clone of Microsoft's co-founder, Paul Allen. Sires, 40, a civil-engineering designer, of suburban Bothell, Washington, is low-key about the resemblance to Gates. "There are a lot of similarities, but we're not the same," he said. There's also the difference between their bank balances — a point Sires says he's often ribbed about. But like the real Bill Gates with his antitrust woes, Sires may soon be facing stiff competition: Entco has a Leonardo DiCaprio look-alike in the wings. "I'm not quitting my day job yet," Sires said.

A little more than a year after becoming a father for the first time, 78-year-old Tony Randall is a father again. Randall and his 28-year-old wife, Heather, are parents of Jefferson Salvini Randall, who was named after two performers of the late 1800s — the comic actor Joseph Jefferson and the Italian tragic actor Tommaso Salvini. The couple also has a 14-month-old daughter, Julia Laurette.

Queen Elizabeth II has helped her former daughter-in-law, the Duchess of York, buy a seven-bedroom mansion outside London, the Daily Mail reported Thursday. Birch Hall, a £1.5 million (\$2.5 million) 18th-century house in five acres of woodland, is just three miles from Sunninghill, the home she shared with her ex, Prince Andrew. The paper reported that the queen helped fend off a rival bidder after Fergie offered only £1 million by coming up with the extra £500,000.

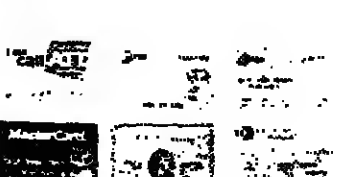


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